

FEDERAL REGISTER



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Codification Guide

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

A Cumulative Codification Guide covering the current month appears at the end of each issue beginning with the second issue of the month.

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Announcement**CFR SUPPLEMENTS**

(As of January 1, 1960)

The following Supplements are now available:

Title 3	\$0.60
Titles 4-5	1.00
Title 7, Parts 51-5245
Parts 53-20940
Title 840
Title 32, Parts 700-799	1.00

Previously announced: Title 36, Revised (\$3.00);
Title 46, Parts 146-149, Revised (\$6.00)

Order from the Superintendent of Documents,
Government Printing Office, Washington 25, D.C.

Rules and Regulations

Title 10—ATOMIC ENERGY

Chapter I—Atomic Energy Commission

PART 70—SPECIAL NUCLEAR MATERIAL

Miscellaneous Amendments

On August 6, 1959, the Atomic Energy Commission issued for public comment a proposed amendment to Part 70 requiring that persons holding special nuclear material licenses furnish the Commission semi-annual reports as of June 30 and December 31 concerning special nuclear material distributed by the Commission pursuant to section 53 of the Atomic Energy Act of 1954, as amended. These reports, to be submitted on Form AEC-578, would provide the Commission with information concerning special nuclear material received, transferred or possessed by the licensee or for which the licensee is financially responsible to the Commission. In addition to providing information semi-annually as to the location of material, the report would include information needed in computing use, loss of material and related charges for special nuclear material.

Based on comments received from interested persons, certain revisions have been made in the proposed reporting form and in the accompanying instructions. On the form itself Item 1d has been added to identify the ending date of the period for which the report is prepared. In the accompanying instructions:

(1) Licensees are instructed to send the original and one copy to the Commission's Oak Ridge Operations Office and one to the Commission's Washington Headquarters.

(2) Concerning Items 6 and 10, the language is modified to make it clear that the report should list each receipt or shipment, rather than provide only the total quantities received from or shipped to others during the period. The instructions also now require that an asterisk be used to identify material for which the licensee was charged or relieved, during the reporting period, with respect to financial responsibility to the Commission.

(3) Concerning Items 12, 13 and 17, the instructions are modified to require identification of the licensee having financial responsibility with respect to losses and burn-up.

Copies of Form AEC-578 may be obtained from the Director, Division of Licensing and Regulation, U.S. Atomic Energy Commission, Washington 25, D.C.

The proposed amendment as published on August 6, 1959, would have required that all special nuclear material licensees furnish a report semi-annually to the Commission. The amendment has been changed so that the June 30

report will not be required from licensees who during the six months preceding June 30 had losses or burn-up of less than ten grams of special nuclear material, and who did not receive or transfer any special nuclear material, or financial responsibility therefor.

Effective upon publication in the *FEDERAL REGISTER*, 10 CFR Part 70, "Special Nuclear Material", is amended in the following respects:

(1) Redesignate §§ 70.53 and 70.54 as 70.54 and 70.55, respectively.

(2) Add the following new § 70.53:

§ 70.53 Material Status Reports.

Each licensee shall submit to the Commission on Form AEC-578 reports concerning special nuclear material distributed by the Commission pursuant to section 53 of the Act and received, transferred or possessed by the licensee or for which the licensee is financially responsible. Such reports shall be made as of December 31 and June 30 of each year and shall be filed with the Commission within 30 days after the end of the period covered by the report, except that any licensee who during the six months preceding June 30 had losses or burn-up of less than ten grams of special nuclear material and did not receive or transfer any special nuclear material, or financial responsibility therefor, is required to file only an annual report as of December 31. The Commission may permit a licensee to submit Material Status Reports at other times when good cause is shown.

Dated at Germantown, Md., this 12th day of February 1960.

For the Atomic Energy Commission.

A. R. LUEDECKE,
General Manager.

[F.R. Doc. 60-1668; Filed, Feb. 24, 1960;
8:45 a.m.]

Title 7—AGRICULTURE

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Navel Orange Reg. 184, Amdt. 1]

PART 914—NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

Findings. 1. Pursuant to the marketing agreement, as amended, and Order No. 14, as amended (7 CFR Part 914), regulating the handling of navel oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendation and information submitted by the Navel

Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such navel oranges as hereinafter provided will tend to effectuate the declared policy of the act.

2. It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication hereof in the *FEDERAL REGISTER* (5 U.S.C. 1001-1011) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient, and this amendment relieves restrictions on the handling of navel oranges grown in Arizona and designated part of California.

Order, as amended. The provisions in paragraph (b) (1) (i) and (ii) of § 914.484 (Navel Orange Regulation 184, 25 F.R. 1307) are hereby amended to read as follows:

- (i) District 1: 650,000 cartons;
- (ii) District 2: 500,000 cartons.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: February 19, 1960.

S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 60-1711; Filed, Feb. 24, 1960;
8:50 a.m.]

[Lemon Reg. 833, Amdt. 1]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

Findings. 1. Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

2. It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this

amendment until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient, and this amendment relieves restriction on the handling of lemons grown in California and Arizona.

Order, as amended. The provisions in paragraph (b) (1) (ii) of § 953.940 (Lemon Regulation 833, 25 F.R. 1307) are hereby amended to read as follows:

(ii) District 2: 199,950 cartons.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: February 18, 1960.

S. R. SMITH,
*Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.*

[F.R. Doc. 60-1684; Filed, Feb. 24, 1960;
8:47 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter III—Federal Aviation Agency

SUBCHAPTER E—AIR NAVIGATION REGULATIONS

[Airspace Docket No. 59-NY-46]

[Amdt. 233]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

[Amdt. 73]

PART 608—RESTRICTED AREAS

Revocation of a Restricted Area and Modification of a Control Area Extension

The purpose of these amendments to §§ 608.38 and 601.1066 is to revoke the Brigantine, N.J., Restricted Area (R-28) (Washington Chart), and to delete reference to Restricted Area R-28 in the description of the New York, N.Y., control area extension.

The Department of the Navy has indicated that it no longer has a requirement for the airspace contained in Restricted Area R-28. Therefore, this restricted area is unjustified as an assignment of airspace and the revocation thereof is in the public interest. Additionally, it is necessary to delete any reference to this restricted area in the description of the New York control area extension.

Since this amendment reduces a burden on the public, compliance with the notice, public procedure, and effective date requirements of section 4 of the Administrative Procedure Act is unnecessary.

In consideration of the foregoing, the following action is taken:

1. In § 608.38, the Brigantine, N.J., Restricted Area (R-28) (Washington Chart) (23 F.R. 8584) is revoked.

2. In the text of § 601.1066 *Control area extension* (New York, N.Y.) (24 F.R. 10550), delete "R-28,".

These amendments shall become effective upon the date of publication in the FEDERAL REGISTER.

(Secs. 307(a), 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on February 17, 1960.

JAMES T. PYLE,
Acting Administrator.

[F.R. Doc. 60-1671; Filed, Feb. 24, 1960;
8:45 a.m.]

Title 24—HOUSING AND HOUSING CREDIT

Chapter II—Federal Housing Administration, Housing and Home Finance Agency

SUBCHAPTER D—MULTIFAMILY AND GROUP HOUSING INSURANCE

MORTGAGE INSURANCE FOR NURSING HOMES

Subchapter D is amended by adding new Parts 237 and 238 as follows:

PART 237—MORTGAGE INSURANCE FOR NURSING HOMES; ELIGIBILITY REQUIREMENTS OF MORTGAGE

DEFINITIONS

Sec.	Definitions.
237.1	
APPLICATION AND CERTIFICATION	
237.5	Application.
237.6	Required certificates.

FEES AND CHARGES

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237.11	Commitment fee.
237.12	Inspection fee.
237.13	Fees on increased mortgage.
237.14	Refund of fees.
237.15	Charges by mortgagee.

ELIGIBLE MORTGAGORS

237.20	Eligible mortgagors.
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ELIGIBLE MORTGAGES

237.25	Mortgage forms.
237.26	Mortgage lien.
237.27	Maximum mortgage maturity.
237.28	Payment requirements.
237.29	Maximum interest rate.
237.30	Maximum mortgage amounts.
237.31	Increased mortgage amounts—high cost areas.
237.32	Adjusted mortgage amount—rehabilitation projects.
237.33	Reduced mortgage amount—leaseholds.
237.34	Mortgage covenant regarding racial restrictions.
237.35	Prepayment privilege and prepayment charges.
237.36	Late charge.
237.37	Construction standards—minimum number of beds.
237.38	Zoning, deed or building restrictions.

SUPERVISION OF MORTGAGORS

237.45	Supervision by Commissioner.
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COMMITMENT

Sec.	Commitment to insure.
237.50	

INSURANCE OF ADVANCES

237.55	Building loan agreement.
237.56	Assurance of completion.

SPECIAL REQUIREMENTS

237.60	Escrow for off-site utilities and streets.
237.61	Equity requirements.
237.62	Advance amortization requirements.

PREVAILING WAGE REQUIREMENTS

237.70	Labor standards.
237.71	Ineligible contractors.
237.72	Ineligible advances.
237.73	Wage certificate.
237.74	Discrimination prohibited.

COST CERTIFICATION REQUIREMENTS

237.80	Certification of cost requirements.
237.81	Form of contract.
237.82	Certificate as to subcontracts.
237.83	Certificate of actual cost.
237.84	Fixed fee contract—additional certification.
237.85	Contractor's certification—fixed fee contract.
237.86	Records.
237.87	Certificate of public accountant.
237.88	Value of land.
237.89	Reduction in mortgage amount.
237.90	Rehabilitation projects.
237.91	Effects of agreement.
237.92	Cost certification incontestable.

AMENDMENTS AND EFFECTIVE DATE

237.95	Amendment of regulations.
237.100	Effective date.

AUTHORITY: §§ 237.1 to 237.100 issued under sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interpret or apply sec. 232, 73 Stat. 663; 12 U.S.C. 1715w.

DEFINITIONS

§ 237.1 Definitions.

As used in this part, the following terms shall have the meaning indicated.

(a) "Commissioner" means the Federal Housing Commissioner or his authorized representatives.

(b) "Act" means the National Housing Act, as amended.

(c) "Mortgagee" means the original lender under a mortgage, and its successors and assigns, and includes the holders of credit instruments issued under a trust indenture, mortgage or deed of trust pursuant to which such holders act by and through a trustee therein named. The mortgagee shall meet the eligibility qualifications and requirements of §§ 221.1 to 221.8 of Subchapter C of this Chapter.

(d) "Mortgagor" means the original borrower under a mortgage and its successors and assigns.

(e) "Mortgage" means such a first lien upon real estate and other property as is commonly given to secure advances on, or the unpaid purchase price of, real estate under the laws of the State, district or territory in which the real estate is located, together with the credit instrument or instruments, if any, secured thereby.

(f) "Insured mortgage" means a mortgage insured by the endorsement of the credit instrument by the Commissioner.

(g) "Maturity date" means the date on which the mortgage indebtedness would be extinguished if paid in accord-

ance with periodic payments provided for in the mortgage.

(h) "State" includes the several States, Puerto Rico, the District of Columbia, Guam, and the Virgin Islands.

(i) "Nursing home" means a proprietary facility, licensed or regulated by the State (or, if there is no State law providing for such licensing and regulation by the State, by the municipality or other political subdivision in which the facility is located), for the accommodation of convalescents or other persons who are not acutely ill and not in need of hospital care but who require skilled nursing care and related medical services, in which such nursing care and medical services are prescribed by, or are performed under the general direction of, persons licensed to provide such care or services in accordance with the laws of the State where the facility is located.

(j) "Project" means a nursing home which has been approved by the Commissioner under the provisions of this Part.

APPLICATION AND CERTIFICATION

§ 237.5 Application.

An application for insurance of a mortgage on a project shall be submitted by a mortgagee and by the sponsors of such project through the local FHA office on an approved FHA application form. No application shall be considered unless accompanied by the exhibits called for by the form.

§ 237.6 Required certificates.

(a) *Certification by State agency.* Every application for insurance shall be accompanied by a certificate executed by a State agency for the State in which the project is or will be located, designated in accordance with section 612(a)(1) of the Public Health Service Act. Such certificate shall evidence that:

(1) There is a need for the nursing home;

(2) There are in force in the State or other political subdivision of the State in which the proposed project will be located reasonable minimum standards of licensure and methods of operation for nursing homes.

(b) *Enforcement of State standards.* No mortgage shall be insured under this part unless the Commissioner has been furnished with acceptable assurance from the appropriate State agency that the prescribed standards of licensure and operation will be applied and enforced with respect to any project for which mortgage insurance is provided.

FEES AND CHARGES

§ 237.10 Application fee.

An application fee of \$1.50 per thousand dollars of the amount of the loan applied for shall accompany the application.

§ 237.11 Commitment fee.

A commitment fee which, when added to the application fee, will aggregate \$3.00 per thousand dollars of the face amount of the loan set forth in the commitment shall be paid within 30 days after the date of the commitment or

within such additional period as the Commissioner may allow.

§ 237.12 Inspection fee.

The commitment may provide for the payment of an inspection fee in an amount not to exceed \$5.00 per thousand dollars of the amount of the loan set forth in the commitment.

§ 237.13 Fees on increased mortgage.

Upon application for an increase in the amount of an existing commitment, an additional application fee of \$1.50 per thousand dollars shall be paid based upon the amount of such increase. Such increase shall be subject to the payment of an additional commitment fee which, when added to the additional application fee, will aggregate \$3.00 per thousand dollars of the amount of the increase. If the amount of the insured mortgage is increased after insurance and prior to final endorsement either by amendment or by the substitution of a new insured mortgage, the fees herein provided for, including the inspection fee, shall be based upon the amount of the increase.

§ 237.14 Refund of fees.

If an application is rejected before it is assigned for processing by the Commissioner, or in such other instances as the Commissioner may determine, the entire fee or any portion thereof may be waived, if not paid, or, if paid, may be returned to the applicant.

§ 237.15 Charges by mortgagee.

The mortgagee may collect from the mortgagor the amount of the fees provided for in this part and may charge the mortgagor an initial service charge to reimburse itself for the cost of closing the transaction, in an amount not to exceed 1½ percent of the original principal amount of the mortgage. Any additional charges shall be subject to prior approval of the Commissioner.

ELIGIBLE MORTGAGORS

§ 237.20 Eligible mortgagors.

All mortgagors shall be approved by the Commissioner and shall possess the legal powers necessary and incidental to operating a nursing home.

ELIGIBLE MORTGAGES

§ 237.25 Mortgage forms.

(a) *Approval of forms.* The mortgage shall be executed upon a form approved by the Commissioner for use in the jurisdiction where the project is located.

(b) *Changes in form.* No changes in the approved form shall be made without the prior written approval of the Commissioner.

§ 237.26 Mortgage lien.

A mortgagor shall certify at final endorsement of the loan for insurance that:

(a) The mortgage is a first lien upon and covers the entire project;

(b) The property covered by the mortgage is free and clear of all liens other than the insured mortgage and such other liens as may be approved by the Commissioner; and

(c) There will not be outstanding any other unpaid obligation contracted in

connection with the mortgage transaction, the purchase of the mortgaged property, or the construction of the project, except obligations approved by the Commissioner.

§ 237.27 Maximum mortgage maturity.

The mortgage shall have a maturity not to exceed 20 years from the beginning of amortization and shall contain amortization or sinking-fund provisions satisfactory to the Commissioner.

§ 237.28 Payment requirements.

(a) *Method of payment.* The mortgage shall provide for payments on the first day of each month on account of interest and principal in accordance with an amortization plan as agreed upon by the mortgagor, the mortgagee and the Commissioner.

(b) *Date of first payment to principal.* The Commissioner shall estimate the time necessary to complete the project and shall establish the date of the first payment to principal so that the lapse of time between completion of the project and commencement of amortization will not be longer than necessary to obtain sustaining occupancy.

§ 237.29 Maximum interest rate.

The mortgage shall bear interest at such rate as may be agreed upon by the mortgagee and mortgagor, but in no case shall such interest rate exceed 5¼ percent per year. Interest shall be payable in monthly installments on the principal then outstanding.

§ 237.30 Maximum mortgage amounts.

The mortgage shall involve a principal amount not to exceed the lesser of the following:

(a) *Dollar amount limitation.* \$12,500,000; or

(b) *Loan-to-value limitation.* 75 percent of the Commissioner's estimate of the value of the project when the proposed construction or rehabilitation are completed.

§ 237.31 Increased mortgage amounts—high cost areas.

If the Commissioner finds that because of high costs in Alaska, Guam, or Hawaii it is not feasible to construct a project without the sacrifice of sound standards of construction, design, and livability within the limitations of maximum mortgage amounts provided in this part, the principal obligation of mortgages may be increased in such amounts as may be necessary to compensate for such costs, but not to exceed, in any event, the maximum, including high cost area increases, if any, otherwise applicable by more than one-half thereof.

§ 237.32 Adjusted mortgage amount—rehabilitation projects.

In addition to the limitations of § 237.30, a mortgage having a principal amount computed in compliance with the applicable provisions of this part, and which involves a project to be repaired or rehabilitated, shall be subject to the following additional limitations:

(a) *Property held in fee.* If the mortgagor is the fee simple owner of the project, the maximum mortgage amount

shall not exceed 100 percent of the Commissioner's estimate of the cost of the proposed repairs or rehabilitation; or

(b) *Property subject to existing mortgage.* If the mortgagor owns the project subject to an outstanding indebtedness, which is to be refinanced with part of the insured mortgage, the maximum mortgage amount shall not exceed: (1) The Commissioner's estimate of the cost of the repair or rehabilitation; plus (2) such portion of the outstanding indebtedness as does not exceed 75 percent of the Commissioner's estimate of the fair market value of such land and improvements prior to the repair or rehabilitation; or

(c) *Property to be acquired.* If the project is to be acquired by the mortgagor and the purchase price is to be financed with a part of the insured mortgage, the maximum mortgage amount shall not exceed 75 percent of: (1) The Commissioner's estimate of the cost of the repair or rehabilitation, and (2) the actual purchase price of the land and improvements, but not in excess of the Commissioner's estimate of the fair market value of such land and improvements prior to the repair or rehabilitation.

§ 237.33 Reduced mortgage amount—leaseholds.

The maximum mortgage amount based upon the limitations of this part is subject to reduction by an amount equal to the capitalized value of the ground rent in the event the mortgage is on a leasehold estate rather than on a fee simple holding.

§ 237.34 Mortgage covenant regarding racial restrictions.

The mortgage shall contain a covenant by the mortgagor that until the mortgage has been paid in full, or the contract of insurance otherwise terminated, the mortgagor will not execute or file for record any instrument which imposes a restriction upon the sale or occupancy of the mortgaged property on the basis of race, color, or creed. The covenant shall be binding upon the mortgagor and its assigns and shall provide that upon violation thereof, the mortgagee may, at its option, declare the unpaid balance of the mortgage immediately due and payable.

§ 237.35 Prepayment privilege and prepayment charges.

(a) *Prepayment privilege.* The mortgage shall contain a provision permitting the mortgage to be prepaid in whole or in part upon any interest payment date after giving to the mortgagee 30 days advance written notice.

(b) *Prepayment charge.* The mortgage may contain a provision for a charge in the event of prepayment of principal as may be agreed upon between the mortgagor and mortgagee. The mortgagor shall be permitted to prepay up to 15 percent of the original principal amount of the mortgage in any one calendar year without any additional charge.

(c) *Prepayment under cost certification.* Any reduction in the original principal amount of the mortgage resulting from the certification of cost require-

ments of this part shall not be construed as a prepayment of the mortgage permitting the imposition of any penalty or charge.

§ 237.36 Late charge.

The mortgage may provide for the collection by the mortgagee of a late charge, not to exceed 2 cents for each dollar of each payment to interest or principal more than 15 days in arrears, to cover the expense involved in handling delinquent payments. Late charges shall be separately charged to and collected from the mortgagor and shall not be deducted from any aggregate monthly payment.

§ 237.37 Construction standards—minimum number of beds.

The project shall conform to standards satisfactory to the Commissioner and consist of not less than 20 beds after completion of the construction or rehabilitation.

§ 237.38 Zoning, deed or building restrictions.

The project when constructed or rehabilitated shall not violate any material zoning or deed restrictions applicable to the project site, and shall comply with all applicable building and other governmental regulations.

SUPERVISION OF MORTGAGORS

§ 237.45 Supervision by Commissioner.

The Commissioner may regulate and restrict the mortgagor as long as the Commissioner is the insurer, holder or re-insurer of the mortgage. Such regulation or restriction may be in the form of a regulatory agreement, corporate charter or such other means as the Commissioner approves.

COMMITMENT

§ 237.50 Commitment to insure.

(a) *Conditions of commitment.* Upon approval of an application for insurance, a commitment shall be issued by the Commissioner setting forth the terms and conditions upon which the mortgage will be insured.

(b) *Insurance of advances or upon completion.* The commitment may provide for the insurance of advances of mortgage money made during construction or may provide for insurance of the mortgage after completion of the improvements.

(c) *Renewal of commitment.* A commitment may be renewed or extended in such manner as the Commissioner may specify.

INSURANCE OF ADVANCES

§ 237.55 Building loan agreement.

Prior to the initial endorsement of the mortgage for insurance, the mortgagor and mortgagee shall execute a building loan agreement approved by the Commissioner setting forth the terms and conditions on which progress payments may be advanced during construction.

§ 237.56 Assurance of completion.

Assurance of completion satisfactory to the Commissioner shall be furnished in an amount of at least 10 percent of

the cost of construction of the project as estimated by the Commissioner and shall be in one of the following forms:

(a) A bond of a surety company satisfactory to the Commissioner on the standard form prescribed by the Commissioner with the mortgagor and mortgagee as joint obligees.

(b) An escrow deposit with the mortgagee or with a depository satisfactory to the mortgagee and the Commissioner of cash or securities of, or fully guaranteed as to principal and interest by the United States of America, under a completion assurance agreement prescribed by the Commissioner.

SPECIAL REQUIREMENTS

§ 237.60 Escrow for off-site utilities and streets.

The Commissioner may require the deposit with the mortgagee or with an acceptable trustee or escrow agent designated by the mortgagee, under an appropriate agreement, of such cash as may be required for the completion of off-site public utilities and streets.

§ 237.61 Equity requirements.

(a) *Funds and finances—in general.* The mortgagor shall establish to the Commissioner's satisfaction that, in addition to the proceeds of the insured mortgage, the mortgagor has adequate funds or acceptable financing arrangements to:

(1) Meet the cost of equipping and operating the project subsequent to its completion;

(2) Meet the expenses of the project for such period as the Commissioner estimates necessary to establish a profitable operation.

(b) *Funds and finances—insured advances.* If the commitment provides for insurance of advances during construction, in addition to meeting the requirements of paragraph (a) of this section, the mortgagor shall establish that it has adequate funds or acceptable financing arrangements to:

(1) Meet the cost of completion of construction of the project including all carrying charges, financing and organization expenses incidental to the construction of the project;

(2) Meet the cost of accruals for taxes, mortgage insurance premiums, hazard insurance premiums and assessments required by the terms of the mortgage during the course of construction.

(c) *Deposit and use of funds.* Equity funds shall be deposited with and held by the mortgagee in a special account or by an acceptable depository designated by the mortgagee under an agreement approved by the Commissioner.

§ 237.62 Advance amortization requirements.

If prior to the beginning of amortization income determined by the Commissioner to be net income is received as a result of operation of the project, such income shall be applied either to advance amortization or to offset the cost of project capital improvements which are approved by the Commissioner in such proportion as the Commissioner may prescribe.

PREVAILING WAGE REQUIREMENTS

§ 237.70 Labor standards.

Any contract or subcontract executed for the performance of construction of the project shall comply with all applicable Regulations of the Secretary of Labor (29 CFR 5.1-5.12).

§ 237.71 Ineligible contractors.

No construction contract shall be entered into with a general contractor or any subcontractor if such contractor or any subcontractor or any firm, corporation, partnership or association in which such contractor or subcontractor has a substantial interest is included on the ineligible list of contractors or subcontractors established by the Commissioner or by the Comptroller General pursuant to the Regulations of the Secretary of Labor (29 CFR 5.6(b)).

§ 237.72 Ineligible advances.

Unless approved by the Commissioner, no advance under the mortgage shall be eligible for insurance after notification from the Commissioner that the general contractor or any subcontractor or any firm, corporation, partnership or association in which such contractor or subcontractor has a substantial interest was, on the date the contract or subcontract was executed on the ineligible list, established by the Commissioner or by the Comptroller General pursuant to the provisions of the Regulations of the Secretary of Labor (29 CFR 5.6(b)).

§ 237.73 Wage certificate.

No advance under the mortgage shall be eligible for insurance unless there is filed with the application for such advance a certificate as required by the Commissioner, certifying that the laborers and mechanics employed in the construction of the project involved have been paid not less than the wages prevailing in the locality in which the work was performed for the corresponding classes of laborers and mechanics employed on construction of a similar character, as determined by the Secretary of Labor prior to the beginning of construction and after the date of filing of the application for insurance.

§ 237.74 Discrimination prohibited.

Any contract or subcontract executed for the performance of construction of the project shall provide that there shall be no discrimination against any employee or applicant for employment because of race, color, creed or national origin.

COST CERTIFICATION REQUIREMENTS

§ 237.80 Certification of cost requirements.

Prior to initial endorsement of the mortgage for insurance, the mortgagor, the mortgagee and the Commissioner shall enter into an agreement approved by the Commissioner for the purpose of precluding any excess of mortgage proceeds over 75 percent of the actual cost of the project. Under this agreement the mortgagor shall agree to:

(a) Disclose its relationship with the builder, including any collateral agreement, and with subcontractors and suppliers;

(b) Enter into a construction contract the terms of which shall depend on whether or not there exists an identity of interest between the mortgagor and the builder;

(c) Execute a certificate of actual costs upon completion of the improvements; and

(d) Apply any excess of mortgage proceeds over 75 percent of the actual cost of reduction of the outstanding balance of the principal of the mortgage.

§ 237.81 Form of contract.

The form of contract between the mortgagor and builder shall be in accordance with the following:

(a) *Lump sum contract.* If the Commissioner determines that neither the mortgagor nor any of the officers, directors or stockholders of the mortgagor have any interest in the builder or contractor, there may be used a lump sum form of contract providing for payment of a specified amount.

(b) *Fixed fee contract.* If the Commissioner determines that the mortgagor, its officers, directors or stockholders have any interest, financial or otherwise, in the builder or contractor, the form of contract shall provide for payment of the actual cost of construction, not to exceed an upset price and may provide for payment of a builder's fixed fee shall not exceed a reasonable allowance as established by the Commissioner, in accordance with customary practices in the area.

§ 237.82 Certificate as to subcontracts.

If the Commissioner determines that the mortgagor, its officers, directors or stockholders have any interest, financial or otherwise, in any subcontractor or material supplier, the mortgagor shall certify in form prescribed by the Commissioner prior to final endorsement of the mortgage for insurance that the amounts paid to such subcontractor or material supplier were not more than the rate prevailing in the locality for similar type labor and materials.

§ 237.83 Certificate of actual cost.

The mortgagor's certificate of actual cost, in form prescribed by the Commissioner, shall be submitted upon completion of physical improvements to the satisfaction of the Commissioner and prior to final endorsement and shall show the actual cost to the mortgagor of:

(a) The construction contract, including all costs of construction under a lump sum contract, after deduction of any kickbacks, rebates, trade discounts, or other similar payments to the mortgagor corporation, or to any of its officers, directors or stockholders;

(b) Architect's fees;

(c) Off-site public utilities and streets not included in the general contract;

(d) Organizational and legal work; and

(e) Other items of expense approved by the Commissioner.

§ 237.84 Fixed fee contract—additional certification.

When the work has been completed under a fixed fee contract, the mortgagor's certification shall also show:

(a) Such allocations of general overhead items as are acceptable to the Commissioner;

(b) A reasonable allowance for the builder's profit as established by the Commissioner.

§ 237.85 Contractor's certification—fixed fee contract.

A contractor receiving a fixed fee shall certify in form prescribed by the Commissioner as to all actual costs paid for labor, materials, and subcontract work under the general contract exclusive of the builder's fee and less any kickbacks, rebates, trade discounts, or other similar payments to the builder or mortgagor corporation or any of its officers, directors or stockholders.

§ 237.86 Records.

The mortgagor shall keep and maintain adequate records of all costs of any construction or other cost items not representing work under the general contract and shall require the builder to keep similar records and, upon request by the Commissioner, shall make available for examination such records including any collateral agreements.

§ 237.87 Certificate of public accountant.

The certificates of actual cost shall be supported by a certificate as to accuracy by an independent Certified Public Accountant or independent public accountant, which shall include a statement that the accounts, records and supporting documents have been examined in accordance with generally accepted auditing standards to the extent deemed necessary to verify the actual costs.

§ 237.88 Value of land.

Upon receipt of the mortgagor's certification of actual cost, there shall be added to the total amount thereof the Commissioner's estimate of the fair market value of any land included in the mortgage security, and owned by the mortgagor in fee such value being prior to the construction of the improvements. In the event the land is held under a leasehold or other interest less than a fee, the cost, of acquiring the leasehold or other interest shall be considered an allowable expense which may be added to actual cost. In no event shall such cost be in excess of the fair market value of such leasehold or other interest exclusive of proposed improvements.

§ 237.89 Reduction in mortgage amount.

If the principal obligation of the mortgage exceeds 75 percent of the total amount as shown by the certificate of actual cost plus the value of the land (the cost shown by the certificate of actual cost in rehabilitation cases), the mortgage shall be reduced by the amount of such excess prior to final endorsement for insurance.

§ 237.90 Rehabilitation projects.

In the event the mortgage is to finance repair or rehabilitation, the mortgagor's actual cost of such repair or rehabilitation may include the items of expense permitted by new construction in accordance with this part and the applicable cost certification procedure described

therein will be required; provided such mortgage shall be subject to the following limitations:

(a) *Property held in fee.* If no part of the proceeds is to be used to finance the purchase of the land or structures involved, the mortgage shall be reduced to an amount not to exceed 100 percent of the approved cost of the completed repair or rehabilitation.

(b) *Property subject to existing mortgage.* If the insured mortgage is to include the cost of refinancing an existing mortgage acceptable to the Commissioner, the amount of the existing mortgage or 75 percent of the Commissioner's estimate of the fair market value of the land and existing improvements prior to repair or rehabilitation, whichever is the lesser, shall be added to the actual cost of the repair or rehabilitation. If the principal obligation of the insured mortgage exceeds the total amount thus obtained, the mortgage shall be reduced by the amount of such excess, prior to final endorsement for insurance.

(c) *Property to be acquired.* If the mortgage is to include the cost of land and improvements, and the purchase price thereof is to be financed with part of the mortgage proceeds, the purchase price or the Commissioner's estimate of the fair market value of land and existing improvements prior to repair or rehabilitation, whichever is the lesser, shall be added to the actual cost of the repair or rehabilitation. If the principal obligation of the insured mortgage exceeds the applicable 75 percent of the total amount thus obtained, the mortgage shall be reduced by the amount of such excess prior to final endorsement for insurance.

§ 237.91 Effects of agreement.

Any agreement, undertaking, statement or certification required in connection with cost certification shall specifically state that it has been made, presented, and delivered for the purpose of influencing an official action of the Commissioner and may be relied upon as a true statement of the facts contained therein.

§ 237.92 Cost certification incontestable.

Upon the Commissioner's approval of the mortgagor's certification, such certification shall be final and incontestable except for fraud or material misrepresentation on the part of the mortgagor.

AMENDMENTS AND EFFECTIVE DATE

§ 237.95 Amendment of regulations.

The regulations in this part may be amended by the Commissioner, but such amendments shall not affect any insured mortgage or any outstanding commitment.

§ 237.100 Effective date.

Unless otherwise specified, the regulations in this part shall be effective as to all mortgages with respect to which a commitment is issued on or after the date hereof.

PART 238—MORTGAGE INSURANCE FOR NURSING HOMES; RIGHTS AND OBLIGATIONS OF THE MORTGAGEE UNDER THE INSURANCE CONTRACT

Sec.	
238.1	Incorporation by reference
238.2	Definitions
238.95	Amendment of regulations
238.100	Effective date

AUTHORITY: §§ 238.1 to 238.100 issued under sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interpret or apply sec. 232, 73 Stat. 663; 12 U.S.C. 1715w.

§ 238.1 Incorporation by reference.

(a) All of the provisions of Part 233 of this chapter covering mortgages insured under section 207 of the National Housing Act apply to mortgages on nursing homes insured under section 232 of the National Housing Act except the following provision:

§ 233.14 Effective date.

(b) For the purposes of this part all references in Part 233 of this chapter to section 207 of the Act shall be construed to refer to section 232 of the Act.

§ 238.2 Definitions.

All of the definitions contained in § 237.1 of Part 237 of this subchapter shall apply to this part. In addition, as used in this part, the following term shall have the meaning indicated:

(a) "Contract of insurance" means the agreement evidenced by the Commissioner's insurance endorsement and includes the provisions of this part and of the Act.

§ 238.95 Amendment of regulations.

The regulations in this part may be amended by the Commissioner, but such amendments shall not affect any insured mortgage or any outstanding commitment.

§ 238.100 Effective date.

Unless otherwise specified, the regulations in this part shall be effective as to all mortgages with respect to which a commitment is issued on or after the date hereof.

Issued at Washington, D.C., February 19, 1960.

JULIAN H. ZIMMERMAN,
Federal Housing Commissioner.

[F.R. Doc 60-1713; Filed, Feb. 24, 1960; 8:50 a.m.]

Title 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans Administration

PART 12—DISPOSITION OF VETERAN'S PERSONAL FUNDS AND EFFECTS

Miscellaneous Amendments

1. Under Part 12 delete that portion of the center title that reads as follows:

"Under Public No. 734, 75th Congress (38 U.S.C. 16j)."

2. Immediately above § 12.0 delete that portion of the center title that reads as follows: "Under Public No. 734, 75th Congress (38 U.S.C. 16j)."

3. In § 12.0, paragraph (b) is amended to read as follows:

§ 12.0 Definitions.

(b) "Field stations" as used in §§ 12.1 to 12.13 includes hospitals, centers, domiciliary activities, supply depots, and other offices over which the Veterans Administration has direct and exclusive administrative jurisdiction, and excludes State, county, city, private, and contract hospitals and hospitals or other institutions operated by the United States through agencies other than the Veterans Administration. At institutions other than field stations as herein defined funds or effects as defined in paragraph (a) of this section, except for funds derived from gratuitous benefits under laws administered by the Veterans Administration and deposited by the Veterans Administration in the account Personal Funds of Patients for incompetent veterans, will be disposed of under the laws governing such institutions. In any case where the veteran died intestate without heirs or next of kin his personal property vests in the United States. Disposition of the property will be made in accordance with the provisions of §§ 12.19 to 12.23.

4. In § 12.1, the headnote and paragraph (a) are amended to read as follows:

§ 12.1 Designee cases; competent veterans.

(a) Each competent veteran now being cared for or who is hereafter admitted to receive care as such at a Veterans Administration field station, unless it be detrimental to his health, will be requested and encouraged to designate on the prescribed VA Form 10-P-10, Application for Hospital Treatment or Domiciliary Care, the person to whom he desires the Veterans Administration to deliver his funds and effects in event of death. He may also designate an alternate to whom delivery will be made if the first designee fails or refuses to accept delivery. It should be clearly understood that the delivery of such funds or effects will constitute only a delivery of possession thereof, and such delivery is not intended to affect in any manner the title to such funds or effects or determine the person ultimately entitled to receive same from the person to whom delivery is made (hereinafter in the regulations in this part termed the "designee"). The person designated may not be an employee of the Veterans Administration unless such employee be the wife (or husband), child, grandchild, mother, father, grandmother, grandfather, brother, or sister of the veteran. The veteran may in writing change or revoke such designation at any time. If a veteran becomes incompetent, any designation previously made will become inoperative with respect to those funds

deposited by the Veterans Administration in Personal Funds of Patients which were derived from gratuitous benefits under laws administered by the Veterans Administration. The guardian may change or revoke the existing designation with respect to personal effects and funds derived from other sources.

5. In § 12.2, the headnote and paragraph (a) are amended to read as follows:

§ 12.2 Designee cases; incompetent veterans.

(a) An incompetent veteran will not be informed concerning the designation of a person to receive funds or effects; but if he has a guardian the guardian will be requested to make such designation of himself or another person to receive possession of the funds and effects (other than funds deposited by the Veterans Administration in Personal Funds of Patients which were derived from gratuitous benefits under laws administered by the Veterans Administration) upon the incompetent's death. The guardian will sign the letter designating himself or another person with the veteran's name "By _____, guardian of his estate".

6. In § 12.3, paragraph (a) is amended to read as follows:

§ 12.3 Deceased veteran's cases.

(a) Immediately upon the death or the absence without leave of any beneficiary at a field station, as defined in § 12.0(b), a survey and inventory of the funds and effects of such beneficiary will be taken in the following manner:

(1) If the death or absence without leave occurred during hospitalization, a complete inventory (VA Form 10-2687, Inventory of Personally Owned Effects) will be made of all personal effects (including those in the custody of the hospital, jewelry being worn by the deceased person, or jewelry and other effects in pockets of clothing he may have been wearing) and all funds found and moneys on deposit in Personal Funds of Patients. In the case of death of incompetent veterans after November 30, 1959, the inventory will be completed to show separately those funds deposited by the Veterans Administration in Personal Funds of Patients which were derived from gratuitous benefits under laws administered by the Veterans Administration. For purpose of determining the source of funds, expenditures from the account will be considered as having been made from gratuitous benefits, not to exceed the extent of deposits of such benefits. In the event death occurred during other than official working hours, the officer of the day and/or a representative of Nursing Service will collect and inventory all funds and personal effects on the person of the deceased beneficiary and on the ward, will carefully safeguard such property and, upon completion of the tour of duty, will turn the funds and effects over to the properly designated employees.

(2) If the death or absence without leave occurred while the beneficiary was

assigned to a domiciliary section, or while receiving hospitalization and at time of death or absence without leave any effects are in the section, a like inventory will be made by representatives of the Director, Domiciliary Services or Domiciliary officer and/or Registrar Division.

(3) The inventory report will be executed in triplicate, original and two copies. All will be signed by the employee making the inventory, and disposed of as provided for in pertinent procedural instructions.

(4) Personally owned clothing or other effects (such as tooth brushes, false teeth not containing gold, etc.) which are unserviceable, by reason of wear or tear or insanitary condition, and clothing that had been supplied by the Government, will not be included in this inventory; instead, the unserviceable personally owned articles will be listed on a separate list, with their condition briefly described, and their disposition recommended in a separate report to the Manager. The Manager, if approving this recommendation, will order destruction or utilization in occupational therapy, or as wipe rags, etc., of such unserviceable articles and, when they are so destroyed or utilized, will have entered on the papers the date and nature of the disposition. The completed papers will then be placed in the correspondence file of the beneficiary. Clothing that had been supplied by the Government will be reconditioned if possible and returned to stock for issue to other eligible beneficiaries. When Government-owned clothing cannot be reconditioned it will be disposed of.

(5) When the nearest relative requests that the deceased beneficiary be clad for burial in clothing he personally owned, instead of burial clothing to be supplied under the contract for mortuary services, such request will be honored. A receipt in such cases will be obtained from the undertaker, specifying the articles of clothing so used. Adjustment of the undertaker's bill in the case will correspondingly be made.

(6) In accomplishing such inventories, detailed description will be given of items of material value or importance, for example:

Watch—Yellow metal (make, movement, and case number, if available without damage to watch).
Ring—Yellow metal (probably gold-plated or stamped 14-K., setting if any).
Discharge certificate.
Adjusted service certificate (number).
Bonds or stocks (name of company, registered or nonregistered, identifying number, recited par value, if any).
Bank books or other asset evidence (name of bank or other obligor, apparent value, identifying numbers, etc.).
Clothing (brief description and statement of condition). Etc.

7. Section 12.4 is revised to read as follows:

§ 12.4 Disposition of effects and funds to designee; exceptions.

(a) Upon authorization by the Manager or his designated representative, all funds, as defined in § 12.0 (except funds

on deposit in Personal Funds of Patients derived from gratuitous benefits under laws administered by the Veterans Administration and deposited by the Veterans Administration where the veteran was incompetent at time of death), and effects will be delivered or sent to the designee of the deceased veteran if request therefor be made after death and within 90 days following the mailing of notice to such designee (§ 12.9(a)), unless:

(1) The executor or administrator of the estate of the deceased veteran shall have notified the Manager or his designated representative of his desire and readiness to receive such funds or effects, in which event the Manager or his designated representative will authorize delivery of all funds and effects to such executor or administrator upon receipt of appropriate documentary evidence of his qualifications and in exchange for appropriate receipts, or

(2) An heir capable of inheriting the personal property of the veteran makes claim for the funds and effects prior to delivery to the designee.

(3) Subsequent to the naming of a designee the veteran became incompetent and his guardian revoked such designation, in which event the Manager or his designated representative will deliver all funds and effects to his guardian in exchange for appropriate receipts subject to the limitation contained in paragraph (d) of this section, or

(4) Designee was the wife (or husband) of the veteran at the time of designation, and information at the disposal of the field station indicates that she (or he) was thereafter divorced and the veteran was incompetent at or subsequent to the time of divorce, or

(5) Notwithstanding there is a designee, it is probable that title would pass to the United States under the provisions of §§ 12.19 to 12.23 issued pursuant to 38 U.S.C. 3202(e) and 38 U.S.C. 5220(a), or

(6) (i) The Manager or his designated representative determines that there is reasonable ground to believe that the transfer of such possession to the designee probably would be contrary to the interests of the person legally entitled to the personal property, or there are any other special circumstances raising a serious doubt as to the propriety of such delivery to the designee.

(ii) In any case in which the Manager does not deliver the funds and effects, because of the provisions of subdivisions (3), (4), and (5) of this paragraph, he will develop all facts and refer the matter to the Chief Attorney of the regional office having jurisdiction over the area where the hospital is located, for advice as to the disposition which legally should be made of such funds and effects.

(b) When authorized by the Manager or his designated representative, the effects will be delivered or shipped to the designee. If shipped at Government expense, the shipment shall be made in the most economical manner but in no case at a cost in excess of \$25. If such expenses will exceed \$25, the excess amount shall be paid by the consignee, either to the Manager in advance or to the car-

rier if it accepts the shipment without full prepayment of charges. There will be no obligation on the Government, initially or otherwise, to pay such expenses in excess of \$25.

(c) When possession of funds or effects is transferred to a designee, the attention of the designee will again be directed to the fact that possession only has been transferred to him and that such transfer does not of itself affect title thereto and that such designee will be accountable to the owner of said funds and effects under applicable laws.

(d) Upon receipt from the proper Chief Attorney of an appropriate certification that the guardianship was in full force and effect at the time of the veteran's death and that the guardian's bond is adequate, funds (other than funds deposited by the Veterans Administration in Personal Funds of Patients derived from gratuitous benefits under laws administered by the Veterans Administration) and effects of an incompetent veteran may be immediately delivered or sent to such guardian, inasmuch as the guardian had a right to possession, and he will be accountable therefor to the party entitled to receive the decedent's estate. If, however, it appears probable that decedent died without a valid will and left no person surviving entitled to inherit, the funds will not be paid to the former guardian but will be disposed of as provided in § 12.19(a). The effects will be sold, used, or destroyed, at the discretion of the Manager or his designated representative.

8. In § 12.5 paragraph (b) is amended and paragraphs (c), (d) and (e) are added to read as follows:

§ 12.5 Nondesignee cases.

(b) Except where delivery is made to a designee, executor, or administrator, funds of veterans who were competent at time of death (if not in excess of \$1,000) will be released to the person or persons who would ultimately be entitled to distribution under the laws of the State of the decedent's domicile. If the amount payable is in excess of \$1,000, payment will be made only to a legal representative of the estate. The person or persons entitled may waive in writing his or her right to the funds in favor of another heir or next of kin.

(c) Funds of veterans who were incompetent at time of death occurring after November 30, 1959, if derived from sources other than gratuitous benefits deposited by the Veterans Administration in Personal Funds of Patients under laws administered by the Veterans Administration, will be disposed of in the same manner as for competent veterans.

(d) Funds deposited by the Veterans Administration in Personal Funds of Patients, at any office, for veterans who were incompetent at time of death occurring after November 30, 1959 and which were derived from gratuitous benefits under laws administered by the Veterans Administration, will be paid upon receipt of proper application to the following persons living at the time of settlement, and in the order named: the

surviving spouse, the children (without regard to age or marital status) in equal parts, and the dependent parents of such veteran, in equal parts. Any funds derived from gratuitous benefits not disposed of in accordance with this paragraph shall be deposited to the credit of the applicable current appropriation; except that there may be paid only so much of such funds as may be necessary to reimburse a person (other than a political subdivision of the United States) who bore the expenses of last sickness or burial of the veteran for such expenses.

(e) No payment shall be made under paragraph (d) of this section unless claim therefor is filed with the Veterans Administration within 5 years after the death of the veteran, except that, if any person so entitled under such regulation is under legal disability at the time of death of the veteran, such 5-year period of limitation shall run from the termination or removal of the legal disability.

(72 Stat. 1114; 38 U.S.C. 210)

This regulation is effective February 25, 1960.

[SEAL]

BRADFORD MORSE,
Deputy Administrator.

[F.R. Doc. 60-1693; Filed, Feb. 24, 1960;
8:48 a.m.]

Title 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

[Docket No. 11959; FCC 60-162]

PART 2—FREQUENCY ALLOCATIONS AND RADIO TREATY MATTERS; GENERAL RULES AND REGULATIONS

Sixth Memorandum Report and Order

In the matter of reallocation of certain fixed, land mobile, and maritime mobile bands; Sixth Memorandum Report and Order

1. On April 3, 1957, the Commission adopted a notice of proposed rule making in the above-entitled matter which was released on April 9, 1957, and published in the FEDERAL REGISTER of April 16, 1957 (22 F.R. 2583). A correction to the notice adding footnote designators to certain specified frequency bands was released on April 11, 1957, and published in the FEDERAL REGISTER of April 26, 1957 (22 F.R. 2956). The First Memorandum Report and Order in this Docket, which applied only to the Land Transportation and Maritime Mobile Services in the 152-162 Mc band, was adopted by the Commission on April 9, 1958, and published in the FEDERAL REGISTER on April 15, 1958 (23 F.R. 2424). A corrected copy of the Order was published in the FEDERAL REGISTER on April 19, 1958 (23 F.R. 2601). The Second Memorandum Report and Order in this Docket, which implemented "split channel" proposals for the Public Safety Radio Service in the 150.8-162 Mc and 450-460 Mc bands and for the remaining services in the 150.8-

162 Mc band, was adopted by the Commission on May 8, 1958, and published in the FEDERAL REGISTER on May 17, 1958 (23 F.R. 3351). The Third Memorandum Report and Order in this Docket, which reallocated certain portions of the 460-470 Mc Citizens Radio band to the Industrial Radio Services and implemented Commission proposals relating to the unavailability of 161.85 Mc to the Maritime Mobile Service in Puerto Rico and the Virgin Islands, a slight shifting of the 160 Mc band available for assignment to remote pickup stations in Puerto Rico and the Virgin Islands on a shared basis with the Railroad Radio Service, and the availability of certain taxicab "splits" to the Industrial Radio Services outside standard metropolitan areas of 50,000 or more population, was adopted by the Commission on June 18, 1958 and published in the FEDERAL REGISTER on June 28, 1958 (23 F.R. 4782). The Fourth Memorandum Report and Order in this Docket, which reallocated the 11 meter amateur band, 26.96-27.23 Mc, to the Citizens Radio Service, was adopted by the Commission on July 31, 1958, and published in the FEDERAL REGISTER on August 9, 1958 (23 F.R. 6111). The Fifth Memorandum Report and Order, which withdrew the Commission's proposal to reallocate the 455-456 Mc and 460-461 Mc bands to the Domestic Public Land Mobile Service, was adopted by the Commission on December 2, 1959 and published in the FEDERAL REGISTER on December 9, 1959 (24 F.R. 9939).

2. A second notice of proposed rule making in this Docket, which proposed to establish an air-ground public radio-telephone service in the Domestic Public land mobile bands 454.40-455 Mc and 459.40-460 Mc, and to reallocate 460-461 Mc to the Industrial Radio Services, was adopted by the Commission on December 2, 1959 and published in the FEDERAL REGISTER on December 9, 1959 (24 F.R. 9937). The time allowed for filing comments with respect to this second notice expired January 11, 1960 and the time for filing reply comments expired January 21, 1960. No reply comments were received.

3. Comments were received from Aeronautical Radio, Inc. (ARINC), American Telephone and Telegraph Company (AT&T), Central Station Electrical Protection Association and the Controlled Companies, American District Telegraph Company, Electronic Industries Association (EIA), General Electric Company (GE), General Telephone Service Corporation (General), Motorola, Inc., National Committee for Utilities Radio (NCUR), National Mobile Radio System, National Ready Mixed Concrete Association and the National Sand and Gravel Association, Special Industrial Radio Service Association (SIRSA), and United States Independent Telephone Association (USITA). Each of the comments supported either the establishment of an air-ground service as proposed or the proposal to reallocate the 460-461 Mc band to the Industrial Radio Services. The GE comments supported both proposals without exception and endorsed the EIA comments. None of the comments objected to either proposal, al-

though some stated reservations with respect to support of the air-ground proposal and others included recommendations as to how the 460-461 Mc band should be sub-allocated should the Commission adopt the proposal to reallocate this band. Some of the comments requested Commission actions which would require additional rule making proceedings to the extent that such requests are not related to the instant proposals.

4. The comments of ARINC, AT&T, and General supported the air-ground proposal, but stated the belief that the frequency space proposed to be provided would be inadequate for a nation-wide air-ground public radiotelephone service. Comments of the National Mobile Radio System do not oppose the air-ground proposal, but state that it should be broadened to include miscellaneous common carriers in view of the many requests for air-ground service received by members of the System. USITA comments endorsed the air-ground proposal without reservation. The comments of AT&T also include the following statement:

*** To extend the service westward from Chicago using the present land frequencies will be more of a problem than encountered in making plans for the eastern section of the country as there are a large number of rural radio installations in mountainous and sparsely populated areas near the West Coast which operate on the 450 Mc frequencies under consideration. The particular installations are of the wide band type employing multiplex transmission which cover several contiguous radio channels. This is a very efficient use of the radio spectrum in furnishing telephone service to the military and others. It is a more practical method of providing these rural installations than employing land or microwave radio facilities and should be continued. In view of this, while it is our opinion that air-ground service should have access to these frequencies, we feel that presently installed land systems should be protected from co-channel interference due to air-ground operations.

While the Commission does recognize that the fixed operations referred to in the above-quoted statement are performing an important function, it must also be recognized, in accordance with § 2.103(g) of the Commission's rules, that fixed operations in the land mobile bands above 25 Mc are permitted only on a sufferance basis, i.e., on the condition that they do not interfere with the mobile service. Such fixed operations cannot be afforded protection from interference that might result from a necessary expansion of the mobile service in the band in question, nor can their existence be used as a reason for limiting any necessary expansion of the mobile service. Fixed operations that cannot accept such interference as might be experienced from an expanded mobile service should be moved to appropriate fixed bands higher in the spectrum.

5. The Central Station Electrical Protection Association and the Controlled Companies, American District Telegraph

Company comments requested the Commission to create a new service to be known as the Industrial Protection Radio Service, which would operate on 5 frequencies in the 460-461 Mc band.

6. Comments of EIA, Motorola, NCUR, National Ready Mixed Concrete Association and the National Sand and Gravel Association, and SIRSA supported the proposal to reallocate 460-461 Mc to the Industrial Radio Service, EIA and Motorola requested the reallocation, to the Industrial Radio Services, of additional frequencies in the 450-460 Mc band to provide for mobile relay operation on a duplex basis. NCUR and SIRSA requested additional frequencies in the 450-470 Mc band for the Power and Special Industrial Radio Services, respectively. NCUR also requested early sub-allocation of the 460-461 Mc band and the National Ready Mixed Concrete Association and the National Sand and Gravel Association urged sub-allocation of this band to the Special Industrial Radio Service only.

7. It is not known at this time whether implementation of the Commission's instant proposal to provide for a permanent air-ground public radiotelephone service will adequately provide for growth of this service on a nationwide basis. However, as pointed out in the second notice of proposed rule making in this Docket, use of the 454.40-455 Mc and 459.40-460 Mc bands by the Domestic Public Land Mobile Service is very light and the Commission believes there is sufficient space in these bands, without unduly hampering normal growth of the Domestic Public Land Mobile Service, for the air-ground service to demonstrate, through rate of growth, whether or not additional space will be required to satisfy the demand for this service. The Second Notice also stated the belief that air-ground assignments can be arranged in such a manner that a minimum of interference to land mobile operations will result.

8. Sub-allocation of the 460-461 Mc band will be accomplished by amend-

ment of Part 11 of the Commission's rules, Industrial Radio Services, through separate rule making proceedings, and the remaining outstanding proposals in Docket No. 11959 to reallocate 161.645-161.825 Mc, 462.525-463.225 Mc, and 465.275-466.475 Mc will be disposed of at a later date when appropriate.

9. The provision for an air-ground public radiotelephone service in the 454.40-455 Mc and 459.40-460 Mc bands by this Order is considered as granting the AT&T petition of January 28, 1957, which requested an interim allocation of 454.95 Mc and 459.95 Mc for this service.

10. In view of the foregoing, the Commission finds that the public interest, convenience, and necessity will be served by the amendments herein ordered and, pursuant to authority contained in sections 4(i) and 303(r) of the Communications Act of 1934, as amended;

11. It is ordered, That effective April 1, 1960, Part 2 of the Commission's rules, Frequency Allocations and Radio Treaty Matters; General Rules and Regulations, is hereby amended as set forth below.

(Sec. 4, 48 Stat. 1066, as amended; 47 U.S.C. 154. Interprets or applies sec. 303, 48 Stat. 1082, as amended; 47 U.S.C. 303)

Adopted: February 17, 1960.

Released: February 19, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

Section 2.104(a) (5) is amended in the 454-455 Mc, 459-460 Mc, and 460-461 Mc bands in columns 7 through 11 to read as follows and a new footnote NG19 is added as set forth below:

§ 2.104 Frequency allocations.

(a) Table of frequency allocations.

(5) The following is the table of frequency allocations.

FEDERAL COMMUNICATIONS COMMISSION

Band (Mc)	Service	Class of station	Frequency (Mc)	Nature of (SERVICES stations)
7	8	9	10.	11
454-455 (NG19)	Land mobile.	a. Base. b. Land mobile.	----- -----	DOMESTIC PUBLIC.
459-460 (NG19)	Land mobile.	a. Base. b. Land mobile.	----- -----	DOMESTIC PUBLIC.
460-461	Land mobile.	a. Base. b. Land mobile.	----- -----	INDUSTRIAL.

NG19 Frequencies in the bands 454.40-455 Mc and 459.40-460 Mc may be assigned to Domestic Public land and mobile stations to provide a two-way air-ground public radiotelephone service.

[F.R. Doc. 60-1696; Filed, Feb. 24, 1960; 8:48 a.m.]

PART 7—STATIONS ON LAND IN THE MARITIME SERVICES

PART 8—STATIONS ON SHIPBOARD IN THE MARITIME SERVICES

In the matter of amendment of Parts 7 and 8 of the Commission's rules and regulations for the purpose of making editorial changes therein.

The Commission having under consideration the desirability of making certain editorial changes in Parts 7 and 8 of its rules and regulations;

It appearing that the amendments adopted herein, for the purpose of correcting certain printing and drafting errors in Parts 7 and 8 and making other minor changes, are editorial in nature thus making compliance with the public notice and rule making procedures prescribed by section 4 (a) and (b) of the Administrative Procedure Act unnecessary, and for the same reason, compliance with the effective date provisions of section 4(c) of the Administrative Procedure Act is not required; and

It further appearing that the amendments adopted herein are issued pursuant to authority contained in sections (4)i, 5(d)(1) and 303(r) of the Communications Act of 1934, as amended, and § 0.341(a) of the Commission's Statement of Organization, Delegations of Authority and Other Information;

It is ordered, This 16th day of February 1960, that effective February 24, 1960, Parts 7 and 8 of the Commission's rules are revised as set forth below.

(Sec. 4, 48 Stat. 1066, as amended; 47 U.S.C. 154. Interprets or applies sec. 303, 48 Stat. 1082, as amended; 47 U.S.C. 303)

Released: February 18, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

A. Part 7, Stations on Land in the Maritime Services, is amended as follows:

1. Section 7.189(b) is amended to change the symbol at the end of the paragraph from "kc" to "Mc". As amended paragraph (b) reads as follows:

§ 7.189 Radiotelephone watch by coast stations.

(b) As an alternative to keeping watch on (or monitoring) the working radio-channel(s) as prescribed by paragraph (a) of this section, a public coast station may, in the discretion of the station licensee, keep watch on (or monitor) the comparable radio-channel(s) designated for calling by telephony (assigned frequency 2182 kc, comparable to working channels within the band 1600 kc to 3500 kc; assigned frequency 156.8 Mc,

comparable to working channels within the band 100 to 200 Mc).

B. Part 8, Stations on Shipboard in the Maritime Services, is amended as follows:

1. Table 1-b of § 8.802 is amended to change the frequency "12551" under the frequency column symbol C9 to the fre-

quency "12558". As amended, Table 1-b reads as follows:

§ 8.802 Appendix II—Tables of ship radiotelegraph frequencies from 2000 kc to 23000 kc and ship radiotelephone frequencies from 4000 kc to 23000 kc.

TABLE 1-b—SHIP RADIOTELEGRAPH CALLING FREQUENCIES

C1	C2	C3	C4	C5	C6	C7	C8	C9
2089	2089.5	2090	2090.5	2091	2091.5	2092	2092.5	2093
4178	4179	4180	4181	4182 ¹	4183	4184	4185	4186
6267	6268.5	6270	6271.5	6273 ¹	6274.5	6276	6277.5	6279
8356	8358	8360	8362	8364 ^{1,2}	8366	8368	8370	8372
12534	12537	12540	12543	12546 ¹	12549	12552	12555	12558
16712	16716	16720	16724	16728 ¹	16732	16736	16740	16744
22225	22230	22235	22240	22245 ¹	22250	22255	22260	22265

¹ These frequencies are available only to aircraft, and lifeboats and other survival craft, for communication with stations of the Maritime Mobile Service.

² Lifeboats and survival craft compulsorily equipped with radio apparatus under international agreement, must be capable of transmitting on this frequency if such apparatus provides for the use of frequencies between 4000 kc and 23,000 kc.

2. Section 8.804 is amended to add a paragraph (d) as follows:

§ 8.804 Appendix IV—Notices listing coast stations authorized for public ship-shore telephony on 2638 kc.

(d) Notice issued February 15, 1960, listing Tahoe Boat Company (KWE) Tahoe City, California; Grand Craft Inc. (KJC) Langley, Oklahoma; Lake Travis Docks (KVA) Austin, Texas; Dolphin Marine (WKF) Columbus, Georgia; and Allatoona Yacht Club (WHL) Cartersville, Georgia.

[F.R. Doc. 60-1657; Filed, Feb. 24, 1960; 8:45 a.m.]

Title 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 4—INFORMATION ON POSTAL MATTERS

PART 61—MONEY ORDERS

Miscellaneous Amendments

The regulations of the Post Office are amended as follows:

§ 4.2 [Amendment]

I. In § 4.2 General postal publications, as amended by Federal Register Docu-

ment 59-30, 24 F.R. 55, and by Federal Register Document 59-5996, 24 F.R. 5906, make the following changes:

A. In paragraph (a), strike out the parenthetical phrase "(\$3 for chapters 1 and 2, together with periodic looseleaf supplements for an indefinite period)", and insert in lieu thereof "(\$4 for chapters 1 and 2, together with periodic looseleaf supplements for an indefinite period)".

B. In paragraph (b), strike out the parenthetical phrase "(\$2.50 a copy)" and insert in lieu thereof "(\$2.25 a copy)".

C. In paragraph (h), strike out the parenthetical phrase "(\$2.25)" and insert in lieu thereof "(\$2.75)".

NOTE: The corresponding Postal Manual Section is 114.2.

(R.S. 161, as amended, 396, as amended; 5 U.S.C. 22, 369)

II. Section 61.3 How to cash a money order is amended for the purpose of clarification, and to permit foreign branches of United States banks to cash money orders issued at military post offices. As so amended, § 61.3 reads as follows:

§ 61.3 How to cash a money order.

(a) Where to cash. (1) A card money order may be cashed at full face value at any post office or bank. The local post-

master may be consulted to obtain payment of an old style paper money order.

(2) Rural carriers will cash money orders for rural patrons. Money orders must be endorsed in his presence. No fee or compensation is required for this service.

(3) Money orders issued at military post offices are payable only at military post offices and United States military banking facilities, or at foreign branches of United States banks, or at post offices or banks located in the United States, its possessions or Territories, and countries with which the United States transacts domestic-international money order business. If the remitter or payee of a money order issued at a military post office transfers ownership by endorsement to another, the endorsee must cash the money order at either a military post office, a United States military banking facility, or a post office located in the United States, its possessions, or Territories.

(b) *Signature requirements*—(1) *Acceptance of signature*. The paying post office may accept any signature of the payee, purchaser, or endorsee that is not different from the name given on the order.

(2) *Signature by mark*. Patrons who cannot write must use a mark. Marks (usually X) must be witnessed by someone who is not a post office employee.

(3) *Signature by firms, organizations, and their representatives*. All money orders payable to a business firm, an organization, society, institution, or government agency must be signed in the name of the organization by a representative authorized to do so. It may be necessary for such authority to be presented and filed. The representative must also sign with his own name and organizational title. If drawn in favor of an official by name and presented by a successor, the latter must sign as follows: "William Jones, treasurer, successor to George Thompson."

(4) *Use of titles*. Use of such titles as "Dr., Rev., Prof., Madam, Mrs., M.D., or D.D.S.," are not required in signing a money order for payment, whether or not such title is used on the face of the money order.

(5) *Stamped signatures*. A stamped signature is acceptable as an endorsement on a money order when drawn in favor of a firm, corporation, association, society, or individual, provided the money order is presented to a bank for payment. A post office will accept stamped signatures, provided an agreement is filed, in advance, regarding the responsibility for the correctness of such payments.

(c) *Identification*. Payees must be able to prove their identity if they want their money orders cashed. Driver's permit, military identification card, or similar items are helpful in establishing identity.

(d) *Payment of orders to other than payee*—(1) *Transfer of money order*.

(i) *By purchaser or payee*. The payee or purchaser of a money order may endorse it to any other person or firm.

(ii) *On power of attorney*. A person with power of attorney may cash money orders in behalf of the payee who gave

him that authority. The power of attorney must be filed at the office of payment.

(iii) *On separate written order*. A payee may file a separate written order with the post office authorizing payment to another person. The person must be designated by name as the one to receive payment.

(2) *Upon assignment*. When a payee, such as an individual or firm, makes an assignment, and intends that money orders be paid to the assigned person, he must file a power of attorney or a written order in the post office. The person designated to receive payment must receipt the money order and indicate below his signature the capacity in which he acts.

(3) *On death of payee*. A money order belonging to a deceased owner may be paid to the executor or administrator of the estate appointed by the court. A certified copy of the appointment as executor or administrator must be filed with the local postmaster. Payments will be made in accordance with the laws of the State of which the deceased was a resident.

(4) *To a concern no longer in business*. Money orders will be paid to the legal representative of a firm, association, or company that has ceased to exist.

(5) *To a committee or a guardian*. Money orders will not be issued or paid to a ward when declared incompetent by a court. They will be paid only to the committee, guardian, or other duly authorized person.

(6) *To minors*. A money order payable to a minor may be paid to the father or mother as natural guardian unless prohibited by court order.

(e) *When orders will not be paid*—(1) *When there is a second endorsement*. A money order with more than one endorsement is invalid. Consult the local post office for proper procedure to obtain a duplicate.

(2) *When there is a question on a COD parcel*. No payment will be made when a money order has been issued in return for a COD parcel, and is presented by the addressee (purchaser) and the money order has not been endorsed by the payee (shipper) or the payee has not expressly authorized payment to the purchaser by written approval.

NOTE: The corresponding Postal Manual Section is 171.3.

(R.S. 161, as amended, 396, as amended, 4027, sec. 12, 65 Stat. 676, as amended; 5 U.S.C. 22, 369, 39 U.S.C. 246f, 711)

[SEAL] HERBERT B. WARBURTON,
General Counsel.

[F.R. Doc. 60-1647; Filed, Feb. 24, 1960;
8:45 a.m.]

PART 15—MATTER MAILABLE UNDER SPECIAL RULES

PART 22—SECOND-CLASS

PART 168—DIRECTORY OF INTERNATIONAL MAIL

Miscellaneous Amendments

The regulations of the Post Office Department are amended as follows:

I. In § 15.5 *Concealable firearms*, paragraph (d) is amended by adding a reference to a new Form 2162, *Delivery Receipt, Firearms*. As so amended, paragraph (d) reads as follows:

§ 15.5 Concealable firearms.

(d) *Identification of addressee*. The postmaster at the office of delivery shall require the addressee of any parcel covered by this section to call at the post office and establish his identity to the satisfaction of the postmaster. The parcel may then be delivered after the addressee signs a receipt which shall be filed by the postmaster for not less than 3 years. Receipts for delivery shall be taken on Form 2162, *Delivery Receipt, Firearms*. Before delivery to an addressee who is a manufacturer of firearms or bona fide dealer therein, the postmaster shall satisfy himself that the addressee is actually such manufacturer or dealer.

NOTE: The corresponding Postal Manual Section is 125.54.

(R.S. 161, as amended, 396, as amended, sec. 1, 62 Stat. 781, as amended, 5 U.S.C. 22, 369, 18 U.S.C. 1715)

§ 22.1 [Amendment]

II. In § 22.1 *Rates*, paragraph (b) (1) is amended by deleting the column headed "Jan. 1, 1959":

NOTE: The corresponding Postal Manual Section is 132.121.

(R.S. 161, as amended, 396, as amended, sec. 2, 65 Stat. 672, as amended; 5 U.S.C. 22, 369, 39 U.S.C. 289a)

§ 168.5 [Amendment]

III. In § 168.5 *Individual country regulations*, as published in the *FEDERAL REGISTER* of March 20, 1959, at pages 2119-2195, as Federal Register Document 59-2388, make the following changes:

A. In country "Algeria" under Postal Union Mail, the item *Prohibitions and import restrictions* is amended to read as follows:

Prohibitions and import restrictions. Same as France, except that tobacco and its products up to 10 kilograms (22 pounds) per person per year are admitted subject to import permit from the Algerian Tobacco Monopoly. Military clothing is prohibited. Antibiotics, serums and vaccines may not be sent in gift parcels without authorization from the Algerian Government.

Import licenses must be obtained for all commercial shipments and for gift parcels weighing 10 kilograms (22 pounds) or more, or valued at 30,000 francs (\$61) or more. Gift parcels under that weight and value and for the personal use of the addressees and their families are exempt from import licensing, provided they are sent infrequently. They are free of customs duty if the value is under 5,000 francs (\$10.20).

As import licenses must be obtained before the parcels arrive, senders should notify the addressees in advance of mailing any parcels likely to require licenses.

B. In country "Canada (including Newfoundland and Labrador)", as amended by Federal Register Document

59-4137, 24 F.R. 3991, Federal Register Document 59-5591, 24 F.R. 5467, and by Federal Register Document 59-5991, 24 F.R. 5834, make the following changes as result of new Canadian regulations concerning commercial invoices:

1. Under Postal Union Mail, in the item *Observations*, the seventh paragraph which precedes the last paragraph therein is amended to read as follows:

Commercial shipments of printed matter and certain other merchandise must be marked to indicate country of origin in the manner presented by the Canadian customs regulations. Commercial invoices are required as indicated in the item *Observations* under "Parcel Post."

2. Under Parcel Post, in the item *Observations* strike out the last paragraph therein, and insert in lieu thereof the following:

The Canadian customs authorities require commercial invoices for all parcel post or postal union mail packages, regardless of value, except casual non-commercial shipments. For shipments valued at less than \$25, the sender's regular business invoice may be used; if the value is \$25 or over, the commercial invoice must be prepared on Canadian forms M-A or N-A. Four copies of the invoice, one of them signed by the sender in ink, must be sent by letter mail to the addressee.

In the case of non-commercial shipments of a casual nature, the senders need not furnish invoices, as the Canadian customs authorities will make delivery on the basis of forms completed by the addressees.

Interested mailers can secure information as to obtaining and preparing forms M-A and N-A, as well as other information concerning the Canadian customs regulations, from the British Commonwealth Division, Bureau of Foreign Commerce, Department of Commerce, Washington 25, D.C., or any field office of that Department.

C. In the country "Libya (United Kingdom of) (Tripolitania and Cyrenaica)", under Parcel Post, make the following changes:

1. In the item *Prohibitions*, delete "Tobacco in any form, Tea, Salt."

2. Amend the item *Import restrictions* to read as follows:

Import restrictions. The attention of senders should be called to the following requirements, which are to be met by the addressees:

Import licenses are required for chocolate and confectionery, fresh or preserved fruits and nuts, cheese, cigars and cigarettes, photographic supplies, soap, jewelry, carpets and rugs, brass and copper household ware, and radios, if the value of the parcel exceeds 5 Libyan pounds (\$14).

Special authorization is required for smoking and chewing tobacco, plant material including seeds, salt, saccharine, sporting guns, serums and vaccines.

D. In the country "Malta (Including Gozo and Cumino Islands)", as amended by Federal Register Document 59-7459, 24 F.R. 7250, under Parcel Post, the item

Import restrictions is amended to read as follows:

Import restrictions. Addressees are required to obtain import licenses for all parcels except bona fide gifts for personal use, of small value and sent infrequently.

E. In country "Tunisia (Tunis)" make the following changes:

1. Under Postal Union Mail, in the item *Prohibitions and import restrictions* strike out "French" where it appears in the first paragraph therein, and insert in lieu thereof "Tunisian".

2. Under Parcel Post, in the item *Prohibitions*, delete "Manufactured tobaccos, cigars and cigarettes for the personal use of importers are admitted up to 10 kilograms per year per addressee" where it appears in the fifth paragraph therein. As so amended, the fifth paragraph reads as follows:

Tobacco.

3. Under Parcel Post, amend the item *Import restrictions* to read as follows:

Import restrictions. Addressees are required to obtain import licenses for all commercial parcels and for gift parcels exceeding 10 kilograms (22 pounds) in weight or 10 dinars (about \$24) in value, or regardless of weight and value if mailed frequently or in large numbers.

Annual quotas are fixed by decree covering the importation of pure or mixed cotton fabrics, plain or twilled, and ticking, damasks and figured fabrics, clothing, lingerie and clothing accessories, with or without handwork.

(R.S. 161, as amended, 396, as amended, 398, as amended; 5 U.S.C. 22, 369, 372)

[SEAL] HERBERT B. WARBURTON,
General Counsel.

[F.R. Doc. 60-1649; Filed, Feb. 24, 1960;
8:45 a.m.]

PART 111—CONDITIONS APPLICABLE TO ALL CLASSES

PART 112—RATES AND CONDITIONS FOR SPECIFIC CLASSES

PART 146—CONSULAR AND COMMERCIAL INVOICES

PART 161—INQUIRIES AND COMPLAINTS

Miscellaneous Amendments

The regulations of the Post Office Department are amended as follows:

I. In Part 111—Conditions Applicable to All Classes—as published in Federal Register Document 60-1246, 25 F.R. 1095-1098, make the following changes:

A. In § 111.2 *Postage*, paragraph (b) is amended to show that postage on second-class matter mailed by the publisher or by registered news agents may be paid in money. As so amended, paragraph (b) reads as follows:

§ 111.2 *Postage.*

(b) *How paid*—(1) *Stamps.* Postage registration fees, and insurance fees may be prepaid by means of United States postage stamps or by meter stamps of a

bright red color. Precanceled stamps may be used under the same conditions as in the domestic mail. Airmail stamps may be used on airmail articles only, and special-delivery stamps on special-delivery articles only.

(2) *Other means.* Postage may be paid by permit imprints, subject to the general conditions stated in Part 34 of this chapter. Permit imprints must show the amount of postage paid on each article and may be of any color. Postage on second-class matter mailed by publishers or registered news agents may be paid in money under the conditions stated in § 112.4(e)(3)(ii) of this chapter.

NOTE: The corresponding Postal Manual Section is 221.22.

§ 111.3 [Amendment]

B. In § 111.3 *Prohibitions and restrictions*, subdivision (i) of paragraph (b)(5) is amended by inserting "India, and Israel (infectious substances not permitted)" in the proper alphabetical order of countries which accept perishable biological materials in letter packages.

(R.S. 161, as amended, 396, as amended, 398, as amended, 5 U.S.C. 22, 369, 372)

II. In § 112.4 *Printed matter*, as published in the Federal Register Document 60-1246, 25 F.R. 1100-1102, subparagraphs (2), (3), and (4) of paragraph (e) are amended to introduce a new procedure for paying postage on second-class publications mailed by publishers or registered news agents, and also to clarify certain mailing requirements on second-class and other types of printed matter addressed for delivery in foreign countries. As so amended, subparagraphs (2), (3), and (4) read as follows:

§ 112.4 *Printed matter.*

(e) *Preparation and mailing.*

(2) *Marking.* Senders must place an endorsement on the address side of envelopes, cards, or packages to be mailed at printed matter rates so that the nature of the article can be readily associated with the appropriate rate of postage. The prescribed endorsements are as follows:

(i) Printed matter; books or printed matter; sheet music, for books or sheet music to be mailed at the rates stated in paragraph (a)(1)(i) of this section. If a single volume is enclosed in a package exceeding the weight limit for prints in general, mark the package "Printed Matter—Book (Single Volume)."

(ii) Printed Matter—Second-Class or the domestic second-class imprint prescribed in § 22.2(e)(7) of this chapter, for second-class publications to be mailed by the publishers or by registered news agents at the rates stated in paragraph (a)(1)(ii) of this section. The second-class imprint must always be used on the wrappers or envelopes of publications on which the postage is paid in cash or by advance deposit.

(iii) Printed Matter, for mail that does not qualify for one of the reduced rates stated in subdivisions (i) and (ii) of paragraph (a)(1) of this section.

(3) *Payment of postage.* (i) Postage on all printed matter, other than second-class, mailed by the publishers or by registered news agents, must be prepaid by means of postage stamps, meter stamps, or permit imprints as prescribed in § 111.2(b) of this chapter.

(ii) Postage on second-class matter mailed by the publisher or by a registered news agent at international second-class rates (see paragraph (a) (1) (ii) of this section) may be collected and accounted for in the same manner as domestic second-class postage (see Part 16 of this chapter), or, if the publisher or news agent prefers, the postage on all or any portion of the copies mailed may be prepaid in the manner stated in subdivision (i) of this subparagraph. When mailed to Canada at the pound rates stated in paragraph (a) (1) (ii) (a) of this section the copies must be reported on postal zone line 6 of a separate Form 3542, "Statement showing number of copies of second-class publication mailed", from that on which copies mailed to domestic subscribers are reported. Since the advertising portion of all second-class publications to Canada is subject to the advertising rate stated in paragraph (a) (1) (ii) (a) of this section, publishers or news agents must submit a marked copy to show the advertising portion, for use of the post office in computing the postage charges.

(iii) A publication for which application for second-class entry is pending must be prepaid at the regular international printed matter rate of 4 cents for the first 2 ounces and 2 cents for each additional 2 ounces and in the manner prescribed in § 111.2(b) of this chapter. The international second-class rates stated in paragraph (a) (1) (ii) of this section may not be applied until a publication has been approved for domestic second-class entry; after such approval, no postage rebate will be allowed for copies mailed to other countries while the application was under consideration.

(4) *Mailing.* (i) Prints on which the postage is paid by permit imprints, and all second-class publications to be mailed at the rates stated in paragraph (a) (1) (ii) of this section must be taken to the post office or such other place as may be designated by the postmaster. All other printed matter that is fully prepaid with postage or meter stamps and is properly prepared as required in subparagraphs (1) and (2) of this paragraph may be presented for mailing at post office windows or deposited in post office drops or street collection boxes.

(ii) Publishers having five or more individually addressed copies of a second-class publication addressed to subscribers at the same post office must tie such copies securely in unwrapped bundles labeled with the name of the post office and country of destination. The twine must be strong enough for the weight and size of the bundle.

(iii) Unless otherwise specified in this chapter, the conditions applying to domestic second-class matter apply also to such matter for Canada.

NOTE: The corresponding Postal Manual Sections are 222.452, 222.453, and 222.454.

(R.S. 161, as amended, 396, as amended, 398, as amended; 5 U.S.C. 22, 369, 372)

III. § 146.1 *Consular and commercial invoices*, as published in Federal Register Document 60-1246, 25 F.R. 1119, is amended for the purpose of clarification to read as follows:

§ 146.1 *Consular and commercial invoices.*

Many countries require special documents to be prepared by the sender and either presented by the addressee or enclosed within the package. In some cases, certification by a recognized chamber of commerce in the United States, or legalization by a consulate of the country of destination, or both, are required. The mailer may inquire at the post office for information or see individual country items in § 168.5 of this chapter.

NOTE: The corresponding Postal Manual part is 256.

(R.S. 161, as amended, 396, as amended, 398, as amended; 5 U.S.C. 22, 369, 372)

§ 161.5 [Amendment]

IV. In § 161.5 *Processing*, as published in Federal Register Document 60-1246, 25 F.R. 1123, 1124, make the following changes for the purpose of clarification.

A. In paragraph (a) (2) (i), clause (a) is amended by inserting "damage" immediately following the word "rifling" in the first sentence therein.

B. In paragraph (b) (2) (i), the first reference in clause (a) is amended to read "paragraph (b) (1) (i) (a) of this section".

NOTE: The corresponding Postal Manual Sections are 271.512b(1) and 271.522a(1).

(R.S. 161, as amended, 396, as amended, 372, as amended; 5 U.S.C. 22, 369, 372)

[SEAL] HERBERT B. WARBURTON,
General Counsel.

[F.R. Doc. 60-1648; Filed, Feb. 24, 1960;
8:45 a.m.]

Title 32—NATIONAL DEFENSE

Chapter V—Department of the Army

SUBCHAPTER G—PROCUREMENT

PART 590—GENERAL PROVISIONS

PART 592—PROCUREMENT BY NEGOTIATION

PART 594—INTERDEPARTMENTAL PROCUREMENT

PART 596—CONTRACT CLAUSES

PART 600—FEDERAL, STATE, AND LOCAL TAXES

PART 602—GOVERNMENT PROPERTY

PART 605—PROCUREMENT FORMS

PART 606—SUPPLEMENTAL PROVISIONS

Miscellaneous Amendments

1. Add new §§ 590.305-6 and 590.356, revise paragraph (c) of § 590.401, and

revise the introductory portion and paragraph (a) of § 590.402, as follows:

§ 590.305-6 Purchase descriptions.

Heads of procuring activities will insure that discretion is exercised in preparation of purchase descriptions based on "or equal" in evaluation of bids and proposals and in award of contracts when such descriptions are used. The phrase "or equal" will not be used to procure a particular "brand name" product under the guise of competitive procurement procedures to the exclusion of similar products at least of equal quality and performance that meet the actual needs. Use of a purchase description with the phrase "or equal" is not intended as a device to grant an advantage to particular manufacturers by favoring one product over other products or to substantiate a determination that no other manufacturer's products are equal in quality and performance to the products specifically named. The procedure for competitive procurement must not be negated by improper application and interpretation of the description of requirements made by reference to a specific manufacturer's products and the phrase "or equal." Rejection of a low bid offering products as equal to the product or products described by "or equal" will be based on a determination that the products are in fact not the equal of the named products and do not meet the actual needs of the Government. Where a proper determination has been made that one, and only one, supplier can furnish the required item or items, the procurement must be accomplished by negotiation in accordance with Part 3 of this title and Part 592 of this chapter.

§ 590.356 Special factors to be considered in evaluating bids or proposals.

Each invitation for bid or request for proposal will state clearly those special factors which the Government will consider in evaluating such bids or proposals.

§ 590.401 Responsibility of each procuring activity.

(c) Chief, Contracts Branch, Office of the Deputy Chief of Staff for Logistics, Headquarters, Department of the Army, shall exercise the functions of Head of a Procuring Activity for all contracting officers of the Department of the Army not under the jurisdiction of a Head of a Procuring Activity as listed in § 1.201-4 of this title, and for such other contracting officers operating under the jurisdiction of the Department of the Army as may be designated.

§ 590.402 General authority of contracting officers.

Properly designated contracting officers are granted all authority conferred by law, Subchapter A, Chapter I of this title and this subchapter, and by procuring activity instruction, but only to the extent delegated therein and as that authority may be limited in the orders designating them as contracting officers.

(a) Contracting officers are agents of the Government and must act in accord-

ance with the law and within their prescribed duties and authority. Contracting officers must insure that their acts are in full accord with their authority. The act of a contracting officer binds the Government only when the action is authorized.

2. Revoke §§ 592.107 and 592.107-2 and revise §§ 592.153 and 592.155, as follows:

§ 592.107 Late proposals and late unsolicited revisions to proposal. [Revocation]

§ 592.107-2 Procedure. [Revocation]

§ 592.153 Awards; selection of contractors.

The policy of the Department of the Army with respect to the selection of contractors is prescribed in Subpart I, Part 3 of this title and Subpart I, Part 592 of this chapter.

§ 592.155 Increase or decrease in specified quantity.

Negotiated contracts may contain a clause providing for increases in the quantities specified in the contracts at the option of the Government. The maximum percentage of such increases or decreases will be subject to negotiation (§ 7.103-4 of this title).

3. In § 592.211-3, revise paragraph (c); revise paragraph (a) and (b) in § 592.604; add new § 592.804-2; and revise § 592.811, as follows:

§ 592.211-3 Limitation.

(c) All requests for authority to negotiate contracts for experimental, developmental, or research work submitted for approval and signature of the Secretary will be supplemented by the following information:

(1) A summary shall be furnished of what work has been completed to date under previous contracts and what additional work is anticipated under the proposed contract;

(2) An estimate of the time necessary to complete the work;

(3) Department of the Army project number;

(4) In those cases where the work covered by the proposed contract is in a field for which primary cognizance has been assigned to another technical service, a statement will be required that the cognizant technical service concurs in the proposed contract; and

(5) If additional extensions are anticipated, a statement will be furnished as to the amount of the estimated additional expenditure. If extensions are not anticipated, it will be so stated.

(6) A statement that the proposed contract will not call for quantity production within the meaning of § 3.211-3 of this title. Such statement will also be included in the determination and findings (§ 592.305(a)) as paragraph 1d.

(7) When the funds cited in the determination and findings exceed the program authority for the current fiscal year an explanation as to how the projects involved will be financed will be included.

§ 592.604 Imprest Fund (petty cash) method.

(a) The Imprest Fund is the method preferred for accomplishing small purchases when cash payment is contemplated. In addition to the instruction in § 3.604 of this title the details of its operation are contained in chapter 16, AR 37-103 (Administrative Regulations of the Department of the Army). It is the only authorized cash small purchase procedure, except for cash payments by accountable disbursing officers.

(b) The Imprest Fund may be used to pay for items ordered from requirements type contracts including the Federal Supply Schedules, if the vendor concurs.

§ 592.804-2 Late proposals.

The contracting officer shall prepare a written recommendation, as prescribed in § 3.804-2(b)(1) of this title, which shall be sent for decision to such other authority as designated by the Head of the Procuring Activity.

§ 592.811 Record of price negotiation.

The memorandum record of price negotiations shall be maintained in accordance with the procedures set forth in § 1.311 of this title and § 590.311 of this chapter.

4. A new Subpart I is added to Part 592, as follows:

Subpart I—Subcontracting Policies and Procedures

§ 592.900 Scope of subpart.

See § 3.900 of this title.

§ 592.903-1 Contract clauses.

Where a contracting officer determines that a dollar amount in excess of \$100,000 should be inserted in paragraphs (b)(ii) and (b)(iii) of the "Subcontracts" clause (§ 3.903-1(a) of this title), prior approval to include the increased amount will be obtained from the Head of the Procurement Activity. Requests submitted to heads of procuring activities shall be accompanied by complete statements of the circumstances justifying the need for increasing the amount, and will include such facts, conclusions and recommendations necessary to support the contracting officer's request.

5. Revise § 594.103-1, add new § 594.103-2, and revise introductory portion of § 596.150-4, as follows:

§ 594.103-1 General.

See § 5.103-1 of this title.

§ 594.103-2 Exceptions to mandatory use.

When an emergency purchase is made from the open market of supplies or services, listed in Federal Supply Schedules as mandatory on the Department of Defense, the payment voucher submitted to the disbursing office shall contain a finding that the purchase was justified because such supplies or services could not be furnished under Federal Supply Schedule contracts at the time they were required. The determination that the supplier could not fur-

nish such supplies or services by the time required can be made only if the suppliers in the applicable schedules have been given the opportunity to so state. In each instance, the finding will set forth the specific reasons why the time element made the emergency purchase necessary. Such finding shall be final and conclusive.

§ 596.150-4 Liability for Government property furnished for repair.

Insert the clause set forth below in contracts for the repair of Government property, possession of which is turned over to the contractor for that purpose. When minor repairs are obtained through small purchase procedure (fixed price) this clause shall not be used (§ 602.1708-2 of this chapter).

6. In § 600.051, revise paragraph (a); revise § 600.101-5; add new § 600.101-6; revise §§ 600.102-3 and 600.102-4; and add new § 600.102-5, as follows:

§ 600.051 Procurement outside the United States.

(a) The policies and procedures set forth in Part 11 of this title and this part, are applicable to procurements effected outside the United States and its Territories to the extent that the cost of the supplies or services procured includes Federal, State, or local taxes, including taxes of possessions. All immunities and exemptions from, or credits and refund of, such taxes made available by Federal, State, or local law will be used to the extent authorized by Part 11 of this title and this part, as will any immunities, exemptions, credits, or refunds from or of such taxes derived from any treaty or other international agreement with the United States. The clauses authorized in § 600.401(a) shall be used only to the extent that they are consistent with this section.

§ 600.101-5 Special fuels.

See § 11.101-5 of this title.

§ 600.101-6 Special fuels.

(a) Diesel fuel and special motor fuel procured by a delivery order issued against a Military Petroleum Supply Agency contract are tax exclusive, unless delivered into the tank of a highway motor vehicle, in which event the fuel is subject to tax as indicated in § 11.101-6 (a) and (b) of this title. Small purchases of fuel, not under a Military Petroleum Supply Agency contract, shall be made on a tax-exclusive basis, unless all the fuel purchased under a particular contract is for a taxable use as set forth in § 11.101-6 (a) and (b) of this title; in which event a tax at the appropriate rate will be paid. Application of refunds or credits for certain uses of tax-paid fuels, outlined in § 11.101-6(c) of this title, shall not be made unless the amount recoverable is substantial. Such refunds or credits will be passed on to the Government through the contractor by adjustment of the contract price.

(b) Where fuel, which has been procured tax-free, is used for a taxable purpose, as set forth in § 11.101-5(a) of this title, the activity using such fuel will make quarterly payment of the tax

directly to the Internal Revenue Service on IRS Form 720. Commanders of installations and activities are responsible for the establishment of effective procedures to insure that such taxes are paid.

(c) Policies and procedures, relating to exemptions from manufacturers' and retailers' excise tax on special fuels purchased for aircraft and vessels are set forth in §§ 11.201 and 11.202 of this title.

§ 600.102-3 Tires and tubes.

See § 11.102-3 of this title.

§ 600.102-4 Gasoline.

(a) The ultimate purchaser of gasoline upon which a tax of 3 cents per gallon has been paid is entitled to a refund of 1 cent per gallon, if such gasoline is not used as fuel in a highway vehicle (e.g., used in a motorboat, air compressor, electric generator, etc.); or used as fuel in a highway vehicle which is owned by the United States, or is not registered or required to be registered for highway use under the laws of any state or foreign country, and such vehicle is not used at any time on public highways during the one-year period covered by the claim. The period covered by a claim for refund runs from July 1 of one year through June 30 of the following year, and a consumer of gasoline may submit only one claim for all of the gasoline used by him during such one-year period. Further, such annual claim must be submitted no later than September 30 following the June 30 on which such one-year period ends. Ordinarily the one-cent refund represents an amount which will be credited to miscellaneous receipts of the United States Treasury. In such cases, no useful purpose is served by seeking a refund. However, where an installation or activity is operating under a working capital fund, the refund received from the Treasury Department will revert to the corpus of the working fund. To the extent it is economically advantageous to do so, activity and installation commanders operating under working capital funds shall establish procedures for compilation of gasoline tax refund claims on a fiscal year basis, and will make direct application to the District Director, Internal Revenue Service for tax refunds due under these procedures.

(b) Sections 11.201 and 11.202 of this title establish policies and procedures relating to manufacturers' and retailers' excise tax on gasoline purchased for aircraft and vessels.

§ 600.102-5 Lubricating oils.

(a) Lubricating oils, including oils used for cutting, procured by a delivery order issued against a Military Petroleum Supply Agency contract normally will be tax-inclusive at the appropriate rate of 6 cents or 3 cents per gallon. Small purchases of lubricating oil, not under a Military Petroleum Supply Agency contract, will be tax-inclusive only to the extent required by the Internal Revenue Code, as outlined in § 11.102-5 (a) and (b) of this title. Available exemptions shall be used by purchasing on a tax-exclusive basis or, when necessary, by furnishing to the contractor the exemption certificate re-

quired by U.S. Treasury Regulations 44, § 314.43.

(b) Application for refunds and credits, outlined in § 11.102-5(b) of this title, shall not be made unless the amount recoverable is substantial. Such refunds or credits will be passed on to the Government through the contractor by adjustment of the contract price.

7. Revise Subpart B—Part 600, as follows:

Subpart B—Exemptions From Federal Excise Taxes

§ 600.204 Exemptions from other Federal taxes.

Heads of procuring activities, responsible for procurement of supplies or services subject to Federal excise taxes other than those stated in Subparts A and B of Part 11 of this title and this part, will establish policies and procedures governing the use of exemptions from such taxes. The policies and procedures established by heads of procuring activities pursuant to this section shall be forwarded to the Chief, Contracts Branch, Office of the Deputy Chief of Staff for Logistics, Department of the Army, Washington 25, D.C., for prior approval.

(a) *Supplies for exportation or shipment to a possession or to Puerto Rico.*

(1) The exemption from retailers' and manufacturers' excise taxes on the sale of supplies for export or shipment to a possession of the United States or to Puerto Rico, as set forth in §§ 11.201 and 11.202 of this title, shall be used by purchasing on a tax-exclusive basis and furnishing the proof required by subparagraph (2) of this paragraph, if:

(i) The purchase is substantial; and
(ii) The export or shipment to a possession or to Puerto Rico is intended to follow not more than 6 months after title passes to the Government. Temporary storage or delays are not inconsistent with immediate export or shipment to a possession.

(2) In order to qualify for the exemption of sales for export or for shipment to a possession or to Puerto Rico, two conditions must be met:

(i) The supplies must be certified as having been sold by the manufacturer (if the tax is a manufacturers' excise tax) or the retailer (if the tax is a retailers' excise tax) for export or shipment to a possession or to Puerto Rico (U.S. Treasury Regulations 44, §§ 314.25, 314.27; Regulations 46, §§ 316.25, 316.27; Regulations 51, §§ 320.21, 320.22; Regulations 119, §§ 312.31, 324.33). The words "for export or shipment to a possession or to Puerto Rico" incorporated into or stamped on a contract or purchase order, is acceptable to the Internal Revenue Service as satisfactory evidence that the sale has been made for export or shipment to a possession or to Puerto Rico; and

(ii) The supplies must be exported or shipped to a possession or to Puerto Rico in due course. (U.S. Treasury Regulations 44, § 314.26; Regulations 46, § 316.26; Regulations 51, § 320.21; Regulations 119, § 324.32.) The responsible officer at the port of embarkation will furnish a certificate of export or ship-

ment to a possession or to Puerto Rico to the contracting officer, together with a statement where the shipping documents are being retained. Proof of the export or shipment shall be furnished by the contracting officer to the contractor in the following form:

CERTIFICATE OF EXPORT OR SHIPMENT TO A POSSESSION OR TO PUERTO RICO

----- 19--

(Name of Contractor)
The undersigned does hereby certify that

(Quantity and description of supplies)
which were purchased for export or for shipment to a possession of the United States, or to Puerto Rico (not including Territories) under Contract No. -----, were in fact exported to a foreign country or shipped to a possession of the United States or to Puerto Rico, and a copy of the export bill or lading No. ----- or loading manifest No. ----- pursuant to which the supplies were shipped, is being retained in the files of -----

(Official address of office)

(Signed)

(Title)

(Official address)

(3) The intention to export or ship the supplies to a possession or to Puerto Rico should be specified in the contract or by amendment thereto. If such specification is included initially in a fixed-price contract, the contract price must exclude the retailers' or manufacturers' excise tax; if such specification is included by an amendment to the contract, a downward adjustment of the contract price may be required, particularly if the contract contains a Federal, State, and Local Taxes clause set forth in § 11.401 of this title.

(b) *Supplies for vessels and airplanes.*

(1) The exemption from manufacturers' excise taxes and from the retailers' excise tax on special motor fuels imposed by section 404(b) of the 1954 Internal Revenue Code (§ 11.101-6 of this title), for sales of supplies for use in vessels of war or military aircraft, shall be used by purchasing on a tax-exclusive basis and furnishing the required exemption certificate, only if:

(i) The purchase is substantial; and
(ii) The administrative cost of insuring that such supplies are used for exempt purposes does not make the use of the exemption uneconomical. Administrative difficulties normally will not exist if the particular supply is suited exclusively for use in aircraft or vessels.

(2) The exemption shall be obtained by furnishing the contractor the following certificate, properly executed, which certificate is an adaptation of that prescribed by the U.S. Treasury Regulations 44, § 314.28 and Regulations 46, § 316.28:

EXEMPTION CERTIFICATE

(For use by purchasers of articles for use as fuel supplies, ships' stores, sea stores, or legitimate equipment on certain vessels (I.R.C. § 4222)).

----- 19--
The undersigned here certifies that he is the authorized Contracting Officer of The

Department of the Army, who is the owner of military aircraft or the -----
(Owner or charterer)
of ----- and that the
(Name of vessel)

article or articles specified in the accompanying order, or as specified below or on the reverse side hereof, will be used only for fuel supplies, ships' stores, sea stores, or legitimate equipment on a vessel of war or military aircraft of the United States, exempt from manufacturers' excise taxes and from the retailers' excise tax on special fuels pursuant to I.R.C. § 4222.

The undersigned understands that if the article is used for any purpose other than as stated in this certificate, or is resold or otherwise disposed of, he must report such fact to the manufacturer. It is also understood that the fraudulent use of this certificate to secure exemption will subject the undersigned and all guilty parties to a penalty equivalent to the amount of tax due on the sale of the article and upon conviction to a fine of not more than \$10,000 or to imprisonment for not more than five years, or both, together with costs of prosecution. The undersigned also understands that he must be prepared to establish by satisfactory evidence the purpose for which the article was used.

(Signed)

(Title)

(Official address)

(3) Contracting officers should specify in the contract or in an amendment to the contract that this exemption will be claimed. If such specification is included initially in a fixed-price contract, the contract price must exclude the manufacturers' excise tax or the retailers' excise tax on special fuels; if such specification is included by an amendment to the contract, a downward adjustment of the contract price may be required, particularly if the contract contains a Federal, State and Local Taxes clause set forth in § 11.401 of this title.

§ 600.205 Tax exemption forms.

See § 11.205 of this title.

§ 600.205-50 Evidence appropriate to establish exemption from Federal excise taxes.

(a) *Types of evidence of exemption.* Exemption from Federal excise taxes shall be obtained by use of the forms and documents required by the Internal Revenue Service, the more important of which have been set forth or cited in Subparts A and B of Part 11 of this title and this part. The United States Government Tax Exemption Certificate (Standard Form 1094—Revised) is not appropriate to obtain exemption from any Federal excise tax. (§ 16.804-1 of this title.)

(b) *Scope of evidence of exemption.* The policies and procedures set forth in § 600.302-3 shall also apply to the scope of evidence appropriate to establish exemption from Federal taxes.

(c) *Persons authorized to furnish evidence of exemption.* See § 600.302-4.

(d) *Preparation and execution of exemption certificates.* See § 600.302-5.

(e) *Supply and control of exemption certificates.* Forms appropriate to establish exemption from Federal taxes

will be obtained directly from the Internal Revenue Service or will be prepared by the issuing officer.

(f) *Preservation of evidence of exemption.* Copies of documents relating to the issuance of evidence appropriate to establishing exemption from Federal taxes will be retained in permanent files pursuant to § 590.311 of this chapter.

§ 600.250 Internal Revenue Code and Treasury Regulations.

The scope of general exemptions from the Federal excise taxes are subject to change by amendment of the Internal Revenue Code and of the Treasury Regulations. The Internal Revenue Code and Treasury Regulations should be consulted as primary authority when confronted with a particular Federal excise tax problem.

8. In § 600.302-51, revise the introductory portion of paragraph (a); revise § 600.302-52; and revoke §§ 600.450 and 600.450-1, as follows:

§ 600.302-51 Supply and control of Exemption Certificates.

(a) United States Government Tax Exemption Certificate (Standard Form 1094—Revised), tax exemption certificate book cover (Standard Form 1094a), and tabulation sheet (Standard Form 1094b) will be requisitioned and controlled as prescribed in section II, AR 310-2 (Administrative Regulations of the Department of the Army). Pursuant to paragraph 39b, AR 310-2, DA Form 410 (Receipt for Accountable Form) will be used in the control of these Standard Forms. In addition, the following procedures will be followed:

§ 600.302-52 Preservation of evidence of exemption.

Copies of documents relating to the issuance of evidence appropriate to establish exemption from State and local taxes will be retained as permanent files pursuant to § 590.311 of this chapter.

§ 600.450 Maryland sales and use tax. [Revocation]

§ 600.450-1 Procedure to be followed pending disposition of litigation. [Revocation]

9. Revise Subpart Q, Part 602, as follows:

Subpart Q—Implementation of Manual for Control of Government Property in Possession of Contractors.

Sec.	
602.1700	Scope of subpart.
602.1700-50	Deviations.
602.1701	Definitions.
602.1701-1	Special tooling.
602.1701-2	Custodial records.
602.1702	Duties and responsibilities of the contract administrator.
602.1703	Designation of property administrator.
602.1704	Property administration interchange agreements.
602.1705	Duties and responsibilities of the property administrator.
602.1706	Sources from which Government property may be furnished or acquired.
602.1706-1	Military installations or other contractors plants.
602.1706-2	Direct purchase by the contractor.

Sec.	
602.1707	Segregation or commingling of Government property and contractor's property.
602.1708	General.
602.1708-1	Accounting for items bearing registration numbers.
602.1708-2	Exceptions.
602.1709	General.
602.1710	Pricing.
602.1711	Records to be maintained by Government personnel.
602.1711-1	Records of specific contracts where property is involved.
602.1712	Records to be maintained by the contractor.
602.1712-1	Records of material—custodial records.
602.1712-2	Records of plant equipment.
602.1712-3	Records of real property.
602.1712-4	Records of scrap.
602.1712-5	Financial contract accounts.
602.1713	Numbering property accounts.
602.1714	Identification of Government Property.
602.1714-1	Identification marking of Government Property.
602.1715	Contractor's responsibility and liability.
602.1715-1	Contractor liability.
602.1715-2	Shipment and receipt of Government-furnished Property.
602.1716	Selective examination of contractor records and property.
602.1717	Transfers of property accounts between property administrators.
602.1718	Transfer of property from military to contractor (industrial property accounts).

AUTHORITY: §§ 602.1700 to 602.1718 issued under sec. 3012, 70A Stat. 157; 10 U.S.C. 3012. Interpret or apply secs. 2301-2314, 70A Stat. 127-133; 10 U.S.C. 2301-2314.

§ 602.1700 Scope of subpart.

This subpart implements the "Manual for Control of Government Property in Possession of Contractors" (app. B, see § 30.2 of this title) and the "Manual for Control of Government Property in Possession of Nonprofit Research and Development Contractors" (app. C, see § 30.3 of this title). It provides a single, detailed uniform industrial property accounting procedure for use throughout the Department of the Army which will enable contracting office and property administrators to perform effectively the functions assigned to them without undue or inconsistent demands being placed on the accounting and control systems of contractors. Throughout this Subpart the letters "B" and "C" followed by a number have been used to refer to specific paragraphs in §§ 30.2 and 30.3 of this title. [B-101]

§ 602.1700-50 Deviations.

It is recognized that local situations may in certain instances demand accounting for Government property by methods which differ from the instructions in this Subpart. Where it can clearly be shown that such methods of accounting are adequate to protect fully the interest of the Government and do not place undue burden on the contractor, a request for approval to deviate from the instructions of this Subpart may be submitted, through channels, to the Deputy Chief of Staff for Logistics, Headquarters, Department of the Army, Washington 25, D.C., Attn: Chief, Contracts Branch, in accordance with § 590.109 of this chapter.

§ 602.1701 Definitions [B-103].**§ 602.1701-1 Special tooling.**

Special Tooling as defined in Subchapter A, Chapter I of this title may further be classified for accounting purposes into three categories:

(a) *Government-furnished.* This category embraces special tooling to which the Government has title. Accounting will be in accordance with paragraph 304.2, § 30.2 of this title, except where the contract or purchase order does not exceed \$5,000 (§ 602.1708-2).

(b) *End item.* This category included special tooling produced by the contractor as an end item under the contract. Initial accounting will be as specified for end items in § 30.2 of this title.

(c) *Manufactured or acquired by contractor.* Title to special tooling manufactured or acquired by a contractor under the provision of § 13.504 of this title is vested in the Government only if an option to acquire the special tooling is exercised at the time of contract completion or termination. Accounting and control of use prior to taking title to the property requires assurance that contractor observes § 13.504(h) of this title "normal industrial practice" in his use of and accounting for the property. After title is assumed by the Government, accounting will be in accordance with paragraph 304.2, § 30.2 of this title. [B-103.14]

§ 602.1701-2 Custodial records.

Custodial records are written memoranda of any description or type used for the purpose of accounting for items issued to plant employees from tool cribs, tool rooms, stock rooms, etc., such as requisitions, issue slips, receipts, tool receipts, tool checks, stock record books, etc. [B-304.1c]

§ 602.1702 Duties and responsibilities of the contract administrator.

Where a single property administrator, other than a Department of the Army property administrator, has been designated under paragraph 202b, §§ 30.2 and 30.3 of this title for all Department of Defense contracts at one contractor location, the contracting officer or his designated representative for property matters is responsible for the additional duties prescribed in § 602.1704. [B and C-201]

§ 602.1703 Designation of property administrator.

The property administrator will serve as an authorized representative of the contracting officer and will be designated as prescribed in § 590.451 of this chapter. A property administrator will be designated for each Department of the Army contract involving Government property.

(a) Except in unusual circumstances, neither the contracting officer nor the contract administrator will be assigned the additional duty of property administration. The assignment of this duty requires the explicit approval of the Head of the Procuring Activity or a member of his immediate staff authorized by him to make such assignments.

(b) When, in appropriate cases, post, camp or station supply officers are as-

signed responsibility for property administration as an additional duty, they will become familiar with industrial property control policies and procedures contained herein and in §§ 30.2 and 30.3 of this title, and as part of the contracting officer's staff will devote the necessary time to industrial property matters.

(c) Except where separate property administrators have been specifically designated for subcontracts, the property administrator for the prime contract is responsible for maintaining the control records required in connection with all subcontracts of a prime contract under which Government property has been provided to the subcontractor.

(d) Where the property to be administered is located within the territorial limits of different purchasing officers or where special property accounting problems are involved, the designation of more than one property administrator for a particular contract or for a particular subcontract may be authorized by the chief of the purchasing office.

(e) In order to minimize travel requirements and to utilize to the maximum extent possible other Government personnel (such as inspectors, engineers, etc.) located at a contractor's plant or located in the same geographical area, it may be necessary either to appoint an assistant property administrator or to designate such other Government personnel located at the installation or plant to perform certain functions for the property administrator. Such appointments are subject to the following limitations:

(1) An assistant property administrator acts in his own name and maintains records required by § 30.2 of this title independent of the property administrator, except that he shall be subject to the property administrator's policy and general procedural direction. The nature of this position places such an assistant as an authorized representative of the contracting officer and as such, he must be so designated in writing by the contracting officer (§ 590.451).

(2) Installation personnel may be designated by the property administrator to perform specific duties in his name, such as signing vouchers, making and preparing report of selective checks, etc. The signature of such designated personnel must be signed, "For the Property Administrator by—John Doe (Title)".

(d) The property administrator will not be required solely, by virtue of his duty as property administrator, to post a bond. [B and C-202a]

§ 602.1704 Property administration interchange agreements.

Department of the Army responsibility for interchange of property administration is assigned to the Chief, Contracts Branch, Office of the Deputy Chief of Staff for Logistics, Department of the Army, Washington 25, D.C. Heads of procuring activities will assure that property administration interchange agreements are effected in accordance with the policies and procedures set forth in §§ 30.2 and 30.3 of this title.

(e) When a property administration interchange agreement is executed

wherein single department property administration is assigned to a military department other than the Department of the Army, contracting officers will look to the assigned property administrator for the discharge of all property administration functions (paragraph 203, §§ 30.2 and 30.3 of this title) pertinent to Department of the Army contracts. No residual property administrator functions will be retained by a Department of the Army property administrator. When the single department property administration function is assigned to a Department of the Army property administrator, he will assume all property administration functions for the participating military departments.

(b) Contracting officers may designate an authorized representative for property matters to advise or represent them in the negotiation, execution and discharge of property administration agreements with the other military departments. His duties may include the following:

(1) Negotiation and execution of property administration agreements;

(2) Maintenance of a jacket file (the property portion of the contract file, § 590.311 of this chapter) which will include a signed numbered copy of the property administration interchange agreement and all amendments thereto; extract of contract provisions relative to property and designation of property administrator; related correspondence; copies of "Written Advice of Contracting Officer" (paragraph 402.1, § 30.2 of this title, paragraph 303, § 30.3 of this title); and copies of correspondence or documentation reflecting proper disposition of all Army property at contract completion or termination.

(c) Where more than one Department of the Army purchasing office (either within or between procuring activities), along with one or more other military departments, has contracts at a single contractor location, a single Department of the Army purchasing office will be designated in accordance with the criteria in paragraph 202c, §§ 30.2 and 30.3 of this title, to represent the Department of the Army in negotiating and executing the property administration interchange agreement. Where the Department of the Army has been designated to perform the single property administration function, the selected purchasing office will provide the property administrator.

(d) The provisions of paragraph 202c, §§ 30.2 and 30.3 of this title are equally applicable to contractor locations where Government property is provided by more than one procuring activity under the Department of the Army, but where other military departments are not involved.

(e) Department of the Army personnel will follow the procedures set forth in appendixes, §§ 30.2 and 30.3 of this title, and this subpart in administering property under a property administration interchange agreement. [B and C-202b]

§ 602.1705 Duties and responsibilities of the property administrator.

Department of the Army property administrators under property administra-

tion interchange agreements are responsible for providing the departments concerned with the management data, documentation, and other information required for compliance with both Subchapter A, Chapter I of this title and departmental procedures. In order to provide this information with the least impact on the contractor's accounting system, departmental requirements will be obtained, analyzed and summarized at the earliest possible date after execution of the interchange agreement and prior to survey of the contractor's accounting system for approval under paragraph 203b, §§ 30.2 and 30.3 of this title. One of the objectives of the interchange program is to relieve contractors of the need to change their accounting systems to accommodate varying requirements of the military departments and procuring activities. This objective will be accomplished by the single department property administrator presenting, to the maximum extent possible, all such requirements at the initial accounting conference with the contractor prior to approval of the contractor's accounting system. Department of the Army property administrators will cooperate fully in meeting the needs of the contracting officers of other military departments. [B and C-203b]

§ 602.1706 Sources from which Government property may be furnished or acquired [B and C-205]

§ 602.1706-1 Military installations or other contractor's plants.

(a) Government property in the form of new facility construction may be acquired by a producing contractor directly from the construction contractor.

(b) If property is received at a contractor's plant on any basis except a requisition or other proper approval of the contracting officer or property administrator, the case will be promptly reported to the Head of the Procuring Activity concerned. [B and C-205.1]

§ 602.1706-2 Direct purchase by the contractor.

Direct purchases by the contractor shall be subject to a determination by the contract administrator that the items and quantities are allocable to the contract involved and are reasonably necessary. For purposes of property control, within the scope of these instructions, it shall be considered that property purchased by a contractor, for which reimbursement is to be requested, becomes Government property upon its receipt by the contractor. Purchases of material by the contractor for rehabilitation of his plant, at cost, and used immediately will not be subject to the provisions of these instructions. Any such material, for which the contractor is reimbursed for stock purposes and later issue, must be accounted for under the provisions of these instructions. [B and C-205.2]

§ 602.1707 Segregation or commingling of Government property and contractor's property.

Where a production line is solely engaged in Government work, contractor-owned and Government-owned plant

equipment, special tooling, and items under tool room control may be commingled upon the approval of the contracting officer. Such approval will be based upon assurance that the items are clearly identified as Government property; that the procedures of the contractor and the property administrator provide protection through inspection; and that the items will be used solely for Government work. Approval to place Government-furnished production equipment in a contractor's production line, equipped with both Government-owned and contractor-owned production equipment, is considered an inherent part of the authorization to provide such equipment to the contractor. [B-206]

§ 602.1708 General.

(a) In order to perform work satisfactorily under a Government contract, a contractor must maintain some form of control records for all Government property, whether such property is furnished to or acquired by the contractor for the account of the Government. It is the policy of the Department of the Army to designate and use such records as the official contract records and not to maintain duplicate records other than the property control records specified in paragraph 303.1(c) and 304 of § 30.2 of this title. Exceptions to this policy may be necessary (1) on small dollar value contracts of short duration, (2) on contracts where few items of property are furnished to or acquired by the contractor, or (3) where the administrative expense of maintaining Government personnel at the contractor's plant or providing frequent official visits to the plant would exceed the cost of maintaining records at the purchasing office administering the contract. In such cases, and where for other cogent reasons it would not be in the best interests of the Government for the contractor to maintain the official records, a determination will be made that the official records will be maintained by the Government. This determination will be made in writing in accordance with paragraph (b) of this section and shall be made a part of the property portion of the contract file. The determination will take into consideration the findings and recommendations of the property administrator. The determination may also be considered as an adequate basis for determining that there would be no advantage accruing to the Government or to the contractor through execution of a property administration interchange agreement.

(b) Exceptions to the policy of using the contractor's Government property control records as the official contract records may be authorized in accordance with the following:

(1) Heads of procuring activities are delegated authority to:

(i) Authorize exceptions to specific contracts, specific invitations for bids, or specific requests for proposals, with power of redelegation to chiefs and acting chiefs of purchasing offices without authority of further redelegation.

(ii) Authorize class or group exceptions for short-term contracts, or for contracts where only a few items of Government property are to be provided.

This authority may be redelegated to one individual by position title without authority of further redelegation. Class or group exceptions will be authorized pursuant to a written determination which shall include justification for the exception. Copies of the authorization will be furnished to purchasing offices concerned and to the Deputy Chief of Staff for Logistics, Headquarters, Department of the Army, Washington 25, D.C., Attn: Chief, Contracts Branch.

(2) When exceptions are authorized in accordance with subparagraph (1) (i) or (ii) of this paragraph the contracts involved will be modified as follows:

(i) Add the following to the Government-Furnished Property/Government Property clause: "Notwithstanding the provisions of () * above, the Government will maintain the official control records for Government Property provided pursuant to this clause and the Contractor is not required to maintain property control records for such property in accordance with the requirements of the 'Manual for Control of Government Property in Possession of Contractors'."

(ii) Add the following to the Alterations in Contract Clause: "Sub-clause () *, modifying sub-clause () * has been added to the Government Furnished Property/Government Property clause."

(c) Accounting for identical items of plant equipment valued at \$500 or less on individual stock record cards or historical record forms in accordance with paragraph 304.3, § 30.2 of this title is not required. Individual item accounting is not required for identical items of furniture, office, medical, and cafeteria equipment, regardless of price. [B-301a and C-207.1]

§ 602.1708-1 Accounting for items bearing registration numbers.

Individual item accounting is required for those items which are included in a standard departmental registration numbering system as indicated in § 602.1714-1(a) (2), regardless of price.

§ 602.1708-2 Exemptions.

(a) Property shipped out for repairs may be accounted for as a suspense item in the Military Property Account from which shipped, provided that (1) no parts or material is furnished and (2) no significant scrap will result from the repair. Accounting for property under § 30.2 of this title is not required of contractors for property shipped out for repair under the provisions of § 596.150-4 of this chapter.

(b) (1) Parts or material furnished to a contractor on a contract under § 596.150-4 of this chapter (other than time and materials contracts) will be considered as expended at the time of shipment from military accounts, provided such shipments are made only on the basis of specific job requirements. Shipping documents will be used as credit vouchers to the military accounts and will show the name of the contract administrator and the contract number in the consignee space. Copies of such documents will be furnished the contract

*Insert appropriate sub-clause.

administrator. Determination of the amount of any item to constitute a "specific job requirement" and what quantities should be furnished in any single shipment, shall be the responsibility of the contracting officer.

NOTE: With reference to paragraphs (a) and (b) (1) of this section, small purchase procedures should be used in those cases where minor repairs are necessary, the costs of those repairs are within the monetary limits of small purchase procedure, and no Government liability clause (§ 596.150-4 of this chapter) is considered necessary by the contracting officer. Since the addition of contract clauses to the small purchase forms is not permissible, small purchase procedure will not be used where (because of the value of the equipment, or for any other reason) the contracting officer considers inclusion of the Government liability clause to be necessary to afford adequate protection to the Government.

(2) The contracting officer will establish such controls as he determines expedient, considering the value of such expended items, to insure the proper consumption of the articles furnished. Any residual quantities of Government-furnished parts and materials will be returned to stock. Any consequential scrap shall be handled under appropriate disposal procedures. The contracting officer shall maintain in the contract file such record of actions taken as is considered by him to be necessary to protect the interests of the Government.

(c) When a purchase order or contract does not exceed \$5,000, jigs, patterns, fixtures, gages, and other manufacturing aids which are furnished to a contractor from stocks to aid in the performance of work may, at the option of the contracting officer, be accounted for as a suspense item in the Military Account from which shipped, provided that the total cost thereof does not exceed \$1,000. Accounting for such property under § 30.2 of this title, is not required.

§ 602.1709 General.

(a) Where the contractor's property control records and procedures have been approved by the Department of the Army or by another military department for a particular type or types of contract (e.g. fixed price, cost-plus-fixed-fee), a statement from the contractor that he will continue to use the approved procedure will constitute approval of his system on new contracts of the same types. In the event that additional or successor contracts differ in type from those on which the initial approval was issued, a review of the contractor's records and procedures will be required as a basis for approval.

(b) In conducting the review of the contractor's accounting control records and procedures, the property administrator should prepare a program covering substantially the areas and the methods prescribed in § 602.1716. The scope of the review should assure that all receipts of Government property are adequately documented, that they are properly recorded, and that use of the property is confined to the purpose for which it was procured. The program should also provide similar controls over disposition of Government property, but

the magnitude, number and detail of test checks scheduled should be governed by type and size of the contractor's operation. As one of the criteria in his review, the property administrator should require that (1) all documents or types of documents affecting accountability run in one or more unbroken numbered series and (2) all unused numbers are accounted for or that equivalent controls exist which will insure that all documents pertinent to a single contract are included in the property records of that contract.

(c) The official contract records shall be maintained current so that any state of completion of the work under a contract the status of Government property may be readily ascertained.

§ 602.1710 Pricing.

The unit price of Government-furnished property shall be determined by the property administrator and furnished to the contractor. To determine realistic unit prices, the property administrator will utilize Department of the Army pricing guides and bulletins, and whenever necessary, secure the required pricing information from supplying depots or installations. Production equipment, as defined in paragraph 3a, AR 700-34 (Administrative Regulations of the Department of the Army), will reflect the acquisition cost computed as specified therein. In the event that unit prices are not available or obtainable after contact with all known sources of information, reasonable estimates will be employed. [B-302 and C-207.10]

§ 602.1711 Records to be maintained by Government personnel [B-303 and C-213].

§ 602.1711-1 Records of specific contracts where property is involved.

The property administrator shall maintain control records for each contract which provides for the use of Government property. The minimum control records specified in §§ 30.2 and 30.3 of this title shall be maintained by the property administrator regardless of the determination of who will maintain the official contract property records. Where the determination is made that the Government will maintain the official records, the property administrator shall maintain such records specified in paragraph 304, § 30.2, or paragraph 207, § 30.3 of this title, as may be required to maintain effective property control.

(a) When a contract provides for the use of Government property, a copy of the contract or an extract of the contract provisions relating to Government property shall be made available or furnished to the property administrator. Upon receipt of a copy of the contract or extract concerning the use of Government property, the property administrator will establish a property control record which shall become a part of the property section of the contract file. The property control record should be set up in a multi-section jacket folder for each contract (§ 602.1704(b)). The purpose of a separate jacket folder for each contract is to provide a uniform

method of record-keeping within the Department of the Army which will satisfy the accounting and control requirements as prescribed in Subchapter A, Chapter I of this title and will provide control of contract records on an individual contract basis, in accordance with § 590.311 of this chapter.

(b) Each jacket folder will be identified by the contractor's name and the contract number, and will contain the following:

(1) *Copy of contract.* Where the property section of the contract file is to be maintained at a separate location, or where access to the contract file is not readily available to the property administrator, the contracting officer will furnish the property administrator a copy of the contract or an extract of the contract provisions relating to Government property.

(2) *Control sheet.* An informational control sheet containing the information set forth in paragraph 303.1(b), § 30.2 of this title, will be maintained.

(3) *Written receipts.* Written receipts shall be required of the contractor for Government property and will be maintained in the property administrator's file only in the following instances where:

(i) The official property records of the contract are maintained by the Government as an exception authorized under the provisions of paragraph 301(a), § 30.2, or paragraph 207.1, § 30.3 of this title.

(ii) Such action is considered essential to the maintenance of minimum acceptable property controls. These instances will include cases where: property is being furnished by the Government or is being acquired by the contractor prior to approval of the contractor's property control system; difficulty is being experienced in locating receipt documents in the contractor's accounting system; and where it is apparent that the interests of the Government would be jeopardized through reliance on the contractor's files of receiving documents.

The relaxation in the accounting requirements of § 30.2 of this title for acknowledgment-of-receipt documents in the jacket file of the property administrator, will not be construed as eliminating the necessity for submission by the contractor of documents or data covering plant equipment or other property set forth in other Department of the Army directives such as those governing Production Equipment Records at the Production Equipment Agency (AR 700-34), the Army Stock Fund (AR 37-60), and the Army Industrial Fund (AR 37-71).

(4) *Record of completed items.* The property administrator shall maintain a record of all completed products under the contract, based upon authenticated receiving reports or processed vendor's shipping documents, such as DD Form 250, as follows (this record will not be required where Government-provided property is not involved):

(i) When there is no lapse of time between Government inspection and acceptance of completed products and

shipment from the plant site, the records will, as a minimum, consist of a ledger sheet or sheets summarizing quantities accepted and shipped.

(ii) When end items are accepted by the Government and stored with the contractor, stock record cards will be used showing quantities accepted, quantities stored, storage location, quantities shipped, and balances on hand.

(iii) Where contracts provide that completed products are to be retained by the contractor for further use under the contract, they will, upon acceptance, be considered "Government-furnished Property" and will be recorded as prescribed in these instructions.

(5) *Record of receipt and shipment of Government-furnished or contractor-acquired property.* Where the Government maintains the official records for Government property under the exception authorized in paragraph 301(a), § 30.2, or paragraph 207.1, § 30.3 of this title, the contractor will be required to provide the property administrator with such documentation of receipts and shipments of Government-furnished and contractor-acquired property as necessary to permit full compliance with the procedures prescribed in paragraph 304, § 30.2 of this title. A separate register will be maintained for each jacket folder (separate property account) to control and to permit prompt location of all property vouchers. A consecutive series of voucher numbers will be used from inception of the contract until its completion or termination. Contractor issue slips need not be included in the record. [B-303.1 and C-213.1]

§ 602.1712 Records to be maintained by the contractor [B-304 and C-207].

§ 602.1712-1 Records of material; custodial records.

Custodial records will normally include as a minimum the totals of each line item for which the tool room, tool crib or stockroom has custody, and hand receipts, tool checks, tool slips or other evidence of issue to the individuals who use the property. Care will be exercised to avoid imposition of unreasonable controls, inconsistent with paragraph 304.1(d), § 30.2, and paragraph 207.4, § 30.3 of this title, upon contractors for minor items of office supplies such as staplers, rulers, and punches. [B-304.1 (c)]

§ 602.1712-2 Records of plant equipment.

(a) The form and distribution of property records maintained for plant equipment will be accomplished in accordance with the provisions of paragraph 304.3, § 30.2 of this title and AR 700-34. Such forms will be prepared by or on the basis of information furnished by the contractor. Where a property administration interchange agreement exists and the property administrator is a member of a department other than the Department of the Army, copies of the records required by AR 700-34 for other than property administration purposes will be obtained from the single department property administrator.

(b) In addition to the exceptions provided in paragraph 304.3 (a) and (b), § 30.2 of this title, exempting the requirement for maintaining individual property records, the following exceptions shall also apply:

(1) Items of plant equipment of identical nomenclature and operating performance for which individual item accounting is not required because of a unit price of \$500 or less (§ 602.1708(c)) may be recorded on a single record. This record should reflect quantities received and issued, balance on hand, posting references, and unit price. In the event such items listed on a single record have serial numbers or manufacturer's numbers, these numbers will be listed on the inventory record or on a single supporting list. Such inventory accounting will not be construed as permitting such items to be considered as "materials".

(2) The description of accessory and auxiliary equipment to be entered on the plant equipment record of the item on which they are being used should not be construed as requiring records of motor serial numbers to be maintained during the life of a contract, where the motors are changed between machines for maintenance purposes. The procedures of the property administrator and the contractor will, however, upon receipt and inspection of equipment at contract completion or termination, account for all accessory and auxiliary equipment which is attached to or otherwise a part of an item of plant equipment, and which is required for its normal operation.

(3) Master and production gages and minor plant equipment with a unit value of \$100 or less may be accounted for on inventory records described in subparagraph (1) of this paragraph.

(c) The duty of maintaining the purchasing office file of production equipment record form (DA Form 804, Production Equipment Record, or equivalent form) in compliance with AR 700-34 may be assigned to the property administrator or to the "Authorized Representative of the Contracting Officer for Property Matters," by the chief of the purchasing office or the contracting officer. These files are maintained for management purposes and for industrial mobilization planning, and not as "acknowledgement of receipt" as provided in paragraph 303.1(c), § 30.2 of this title.

(d) If provided by the terms of the contract, or by an agreement between the contractor and the contracting officer, the property accounting section of DA Form 459 (Production Equipment Control Record) may be utilized by the contractor in maintaining the official records of production equipment. If such provision is made, the following procedure is applicable:

(1) The Production Equipment Agency (PEQUA), Rock Island Arsenal, will forward to the property administrator DA Form 459, based on the information submitted on DA Form 804 as prescribed in AR 700-34.

(2) The property administrator will detach the property accounting section

of DA Form 459 and forward it to the contractor.

(3) The contractor will maintain the property accounting section of DA Form 459 as an accountable stock record card. Debit and credit reference numbers, contract number, and other pertinent data will be entered in the spaces provided upon receipt or shipment of the property. It will be retained upon transfer or disposition of the property, as a permanent record of the contract.

(4) The contractor will promptly notify the property administrator of changes in the description of the property. Upon receipt of such notification, the property administrator will complete the reporting section of DA Form 459 and will forward it to PEQUA to advise them of the change in the description of the property. A corrected DA Form 459 will be prepared by PEQUA and furnished to the property administrator for transmittal to the contractor. [B-304.3 and C-207.5]

§ 602.1712-3 Records of real property.

Records of real property prepared or furnished by Division, District or Post Engineers, such as ENG Form 290, Transfer of Construction, may be maintained in cases where they are found by the contractor to be consistent with his accounting system. [B-304.4 and C-306d]

§ 602.1712-4 Records of scrap.

Separate records will be maintained for the different categories of scrap or salvage generated. The records should be such as to reflect the following minimum information:

- (a) Scrap classification;
- (b) Quantities on hand;
- (c) Unit of measure;
- (d) Record of all disposals;
- (e) Date and voucher number; and
- (f) Contract identification, including name and location of contractor and contract number. [B-304.5 and C-212]

§ 602.1712-5 Financial control accounts.

In order to conform to the Financial Management Plan of the Army (AR 37-5), quarterly reports of the dollar amounts of Government-owned facilities of the classes of property specified in paragraph 304.7, § 30.2 of this title, will be secured from Department of the Army contractors. Detailed procedures for use of this information by property administrators and finance and accounting officers are contained in AR 735-72 and AR 35-255 (Administrative Regulations of the Department of the Army). Financial controls are not required for minor plant equipment, special tooling or materials (paragraph 103, § 30.2 of this title), except that, financial information required in connection with property which is part of the corpus of the Army Stock Fund, a Single Manager Stock Fund or the Army Industrial Fund will be secured, when required, from the accounting records of the contractor. The criteria set forth in paragraphs (a) and (b) of this section shall be applied when classifying equipment for this purpose:

(a) Production equipment includes equipment and machinery valued at \$500 and more per unit as defined in AR 700-34. This will include such property in actual use, stored in place as standby, placed in proximity storage, or maintained in reserve in central storage when such equipment is in possession or control of a contractor under the terms of a contract, and

(b) Plant equipment includes property of a capital nature with unit acquisition cost of \$100 and more per unit and production equipment with unit acquisition of \$100 to \$499.99. [B-304.7]

§ 602.1713 Numbering property accounts.

Property account serial numbers specified in paragraph 14b, AR 735-5, need not be obtained from Army commanders for accounts established under contracts to which §§ 30.2 and 30.3, or Part 13 of this title are applicable, but rather the property account will be identified by the contract number, and the appropriate regional office of the U.S. Army Audit Agency will be advised as required in § 606.206-7(c) of this chapter. For the purposes of paragraph 401.1, § 30.2 of this title, the digits which designate the Army, technical service and purchasing office in the property identification number set forth in paragraphs (a) and (b) of this section, will be accepted.

(a) *Technical service code.* The two-digit technical service code symbol established in paragraph 1u, App. 1, AR 700-34, will designate the controlling technical service. The two-digit code symbol is as follows:

DEPARTMENT OF THE ARMY

Field Force elements.....	00
Ordnance Corps.....	01
Quartermaster Corps.....	02
Corps of Engineers.....	03
Transportation Corps.....	04
Signal Corps.....	05
Chemical Corps.....	06
Army Medical Service.....	07

(b) *Code symbol.* A two-digit procurement center code symbol established for each of the purchasing offices or installations having nationwide procurement responsibilities within the technical service will designate the center having jurisdiction over the item. For example, the Ordnance Ammunition Command may be designated "01" and the Ordnance Tank Automotive Command may be designated "02," etc. In the case of Corps of Engineers' construction activities, division engineer offices may be designated as procurement centers and assigned procurement center code symbols in accordance with this procedure. [B-305 and C-214]

§ 602.1714 Identification of Government property.

Identification of Government property shall be accomplished prior to delivery as part of the purchase agreement, by the contractor, or by the procuring service, as applicable. Government property on hand or on order shall be identified as prescribed herein when the equipment is prepared for storage, reactivated, or at any other convenient occasion. [B-401 and C-307]

§ 602.1714-1 Identification marking of Government property.

(a) The identification marking of Government property shall be physically affixed to the item in accordance with paragraph 401, § 30.2 of this title. The identification markings shall consist of the following as may be applicable for the particular item being identified:

(1) *Department of the Army control.* "USA". This identification symbol is applicable to all Government property except as may be exempted in accordance with paragraph 401.1, § 30.2 of this title. The letters "USA" will be permanently affixed to the item to indicate Government ownership of property under control of the Department of the Army. For those items not requiring a registration number or United States Government tag number, the owning technical service code symbol, as prescribed in § 602.1713(a), will be permanently affixed immediately following the letters "USA," for example, "USA-061," etc.

(2) *Registration number.* This number is applicable to those items included within a standard military registration numbering system such as motor vehicles (§ 602.450(a)), materials handling equipment (AR 700-3900-5), railroad equipment (AR 55-255), and any other applicable items. For these items, application for a registration number will be made to the appropriate technical service. Assigned registration numbers will be physically affixed to the item in accordance with applicable instructions.

(3) *Government tag number.* This number is applicable to those items for which individual item accounting is required as stipulated in §§ 602.1708(c) and 602.1712-2, except those items having a registration number as prescribed in subparagraph (2) of this paragraph. This number shall be the Government property identification number assigned in accordance with paragraph 401.1, § 30.2 of this title, which is as follows for the Department of the Army:

(i) The first part shall be the letters "USA" to indicate Government ownership as prescribed in subparagraph (1) of this paragraph.

(ii) The second part shall consist of the code symbols which designate the technical service and procurement center involved. The two-digit code which indicates technical service ownership is given in § 602.1713(a). The two-digit code which indicates procurement center jurisdiction is given in § 602.1713(b).

(iii) The third part shall consist of a six-digit serial number. The assignment of serial numbers shall be in numerical sequence beginning with 000,001. Each procurement center having a code symbol as prescribed in § 602.1713(b) will be assigned six digits beginning with 000,001 or a total of 999,999 numbers for property control purposes.

(4) *Production Equipment Code.* This code is applicable to metal-working machinery described under Federal Supply Classification Codes 3411 through 3419 and 3441 through 3449. This identification marking shall be the ten-digit Production Equipment Code, preceded by the letters FEC, listed in the current Department of Defense publication,

"Directory of Metalworking Machinery." The Production Equipment Code consists of the Federal Supply Classification designating the group and class (first four digits) and the type, sub-type, and size or capacity (six-digits) of each item of metalworking machinery. If the machine is not listed in the Directory of Metalworking Machinery, a request for the establishment of a Production Equipment Code shall be processed in accordance with paragraph 3, appendix 1, AR 700-34. In the event procurement lead time does not permit obtaining a code in advance of consummating the purchase, the proper code may be obtained after issuance of purchase order. However, this shall be accomplished in sufficient time to have the Production Equipment Code located on the machines by the manufacturer prior to delivery.

(b) Based upon the above identification marking system, a vertical milling machine purchased from Government funds for production of medium tanks on a procurement program assigned to the Ordnance Tank Automotive Command could have the following identification marking:

USA-01-02-001
FEC-3417-23-40-42

(c) Under the provision § 30.2 of this title, property acquired by a contractor for the account of the Government becomes Government property for the purpose of property accountability upon receipt thereof by the contractor. For purposes of property accountability and control, contracting officers and property administrators shall take action to assure that such property is immediately marked as Government property and properly accounted for at the time of receipt. This action will not be delayed pending evidence of inspection and acceptance being reflected on DD Form 250, Material Inspection and Receiving Report. Contracting officers and property administrators will instruct contractors that immediately upon receipt of any item of property procured for the account of the Government to:

(1) Advise the contracting officer, by the most expeditious means, of the receipt of such property and request an inspection; and

(2) If the item is not already identified, immediately affix securely to each item of such property or equipment an appropriate temporary tag identifying the property as Government property and indicating the number of the contract for which the property or equipment was procured. Upon notification by the contractor of receipt of property, the contracting officer will notify the property administrator and will arrange for prompt final inspection and acceptance by responsible Government personnel. After completion of the final inspection and acceptance, evidenced by DD Form 250 (Material Inspection and Receiving Report), the property administrator will insure that the temporary tag is replaced by the contractor with a permanent identification tag contain-

ing the required information. If the contractor cannot complete DA Form 804 as prescribed, the property administrator will complete the form.

§ 602.1715 Contractor's responsibility and liability [B-402, C-303 and C-304].

§ 602.1715-1 Contractor liability.

(a) No separate file of letters of advice will be maintained for the property auditors although copies of such letters when questions are raised by auditors may be furnished upon request. Channels through which such letters are reviewed by audit personnel lie within the scope of audit instructions. If such letters, however, are submitted to the Chief, U.S. Army Audit Agency, for review and he concludes that further action is desirable, he will so state in writing to the head of the technical service concerned. Upon review of the above communication, the head of the technical service will initiate such further action as he considers is warranted by the facts. In all cases, he shall advise the regional auditor as to the decision reached.

(b) The written advice of a contracting officer in a contractor property account serves the same purpose as a Report of Survey in a military property account even though the contractor is the responsible party and his liability is for determination only under the terms of the contract. The report of the facts surrounding the loss or damage must be accurate and complete; the findings of the contracting officer must make reference to specific terms of the contract supporting his determination; and the file, in order to be accepted as valid, must constitute a full report of the case without reference to other documents. It is the personal responsibility of the contracting officer to insure that the interests of the Government are protected at all times; approval of the contractor's case for relief from property accountability based on an inadequately documented case constitutes failure to dispatch that responsibility. [B-402.2 and C-303e]

§ 602.1715-2 Shipment and receipt of Government-furnished property.

(a) When Government property is shipped to a Department of the Army contractor for use under a contract, the shipping accountable officer, in addition to furnishing a copy of the shipping document to the property administrator, will forward two copies to the contractor with instructions to acknowledge receipt of the property on one copy and to furnish it to the designated property administrator for the contract. Copies of shipping documents will reflect unit cost and estimated transportation costs. The second copy will be retained by the contractor. When it is the regular practice to obtain the contractor's acknowledgment of receipt on copies of the shipping document and copies of such documents have not been received, the property administrator will request that acknowledgment of receipt of the property be furnished on the contractor's receiving report, tally, or equivalent form.

(b) It shall be considered adequate for property control purposes, and within

the scope of § 30.2 of this title, for operating contractors to acknowledge receipt of new facilities constructed under separate construction contracts, direct with construction contractors, on ENG Form 290, if accompanied by supporting documents. These transactions may be considered as a shipment and receipt of Government property.

(c) In the absence of a transportation officer or agent, the property administrator must initiate and follow to conclusion necessary action with respect to any discrepancies incident to shipment or receipt of property made on a Government bill of lading or on a commercial bill of lading for conversion to a Government bill of lading at destination.

(d) Where the property administrator is a member of a department other than the Department of the Army and is acting under a property administration interchange agreement, Reports of Survey (DD Forms 46) covering discrepancies incident to incoming shipments of Department of the Army property will be secured from the single department property administrator with all spaces on the front of the form executed and in the number of copies required for compliance with AR 735-11. Further action will be taken by the Chief of the purchasing office and by the Chief of Finance in accordance with AR 735-11. [B-402.3 and C-204]

§ 602.1716 Selective examinations of contractor records and property.

(a) To discharge the duties of the property administrator effectively and satisfactorily as prescribed in paragraph 202, §§ 30.2 and 30.3 of this title, the property administrator shall conduct or cause to be conducted periodic inspections of the physical condition of Government property in possession of the contractor to determine the adequacy of maintenance, repair, protection, and preservation. He shall report promptly, in writing, to the contracting officer any failure of the contractor to maintain, repair, protect, or preserve any of the Government property in the contractor's possession.

(b) The property administrator's program must include, on a continuing basis, the following:

(1) Verification of the accuracy of the contractor's property records except where Government records have been designated as the official contract records;

(2) Physical checks of representative portions of all classes of property connected with the contract; and

(3) Review of the contractor's issue and consumption of materials.

(c) It is recognized that the method for physical and accounting control of Government property may vary between contractors as well as between individual contracts; therefore it is impractical to prescribe a detailed program for selective examinations of Government property to be followed without variation. These instructions are intended to represent the general rule for property administrators in establishing programs to meet the peculiarities of the contract or contracts to which he is assigned, based

upon his study and clear understanding of the contract provisions.

(d) The selective checks made by the property administrator shall encompass representative amounts of all classes of Government property, to the extent deemed necessary to determine the adequacy of the contractor's records and his controls over usage, consumption, and maintenance of production equipment and materials.

(1) The first step in checking the materials will be to determine that all quantities received have been appropriately recorded on the records maintained for such property, i.e., inventory records or receipt-issue documents. A number of debit property documents will be selected from the contractor (or Government) control files and compared with the records to determine that appropriate recording has been effected. Emphasis will be placed on items of relatively high unit cost, large dollar value of consumption, and sensitive nature. Test inventories and test of credit postings of a sufficient number of items will be made to establish the credibility of the records and encourage accuracy on the part of the record-keeping personnel.

(2) When special tooling is supplied to the contractor as Government-furnished property, the selective check procedures for plant equipment set forth in subparagraph (3) of this paragraph will be used as a guide. In the case of special tooling manufactured by the contractor as an end item under the contract, or manufactured or acquired by the contractor under § 13.504 of this title, the selective check will be only to assure that the contractor is following the provisions of the contract.

(3) The requirements of § 30.2 of this title, for accounting for individual items of plant equipment make possible a relatively simple and exact procedure for selective check of this type of property.

(i) The property administrator will select from his control files a representative number of debit property documents which include items of plant equipment. A comparison of these documents with the records of plant equipment will then be made to determine whether adequate records have been established for all items of plant equipment included on the documents selected. In this connection, all credit entries on the records will be examined and the credit documents supporting such entries reviewed to determine their propriety.

(ii) The two methods of physical checks prescribed below will be used to verify the existence of the property, to check the completeness of the property records, and to test the efficiency of the contractor's marking of Government property.

(a) *From records to property.* The property administrator will select a number of items of plant equipment as recorded on the property records, and by means of property identification numbers and location shown upon such records, inspect the property involved to verify its existence.

(b) *From property to records.* A number of items of plant equipment will be selected by the property administrator by physical inspection in the plant and

a notation made of property identification numbers and description of such items. The property records will then be reviewed to determine whether the property involved is properly recorded.

(4) The selective checks of real property records will include verification of the records including assurance that physical changes to buildings, utility plants and systems, roads, fences, etc., observed by the property administrator are properly reflected on maps, drawings, plans, specifications or ENG Form 290, Transfer of Construction. At such intervals as the property administrator deems necessary, he will select records of a number of units of real property and by physical inspection of such units determine whether the records are complete and properly reflect any additions, extensions, or alterations.

(e) The contractor's documents which support inventory adjustments will be reviewed with a view to selecting for investigation all adjustments which, after consideration of unit value, volume of transactions, previous adjustments, and sensitive nature of items, appear to be unreasonable. Detailed investigation will be made to determine as far as possible whether such adjustments represent actual losses of Government property or are due to errors in record-keeping. If the number of adjustments is large, consideration will be given to requesting that adjustments to specific line items over a period of time be summarized by the contractor in a manner which will reveal offsetting and net adjustments. If, in the opinion of the property administrator, adjustments represent unreasonable losses of Government property, they will be reported to the contracting officer with a statement describing the circumstances and a request for written advice.

(f) Normally, the contractor's organization will include a production planning department responsible for the orderly flow of work through the plant. One of the functions of such a department is to control the flow of productive materials from stores to the plant floor. The material control system employed by the contractor will often provide the property administrator a means for an overall test of the contractor's use of items of productive materials. It is essential that the property administrator have a clear understanding of such system.

(1) Where quantities of certain productive materials are not excessively large or are not readily susceptible to count, a current reconciliation of total quantities furnished with quantities incorporated in delivered products, plus work in process, quantities in stores, and materials scrapped can be accomplished.

(2) Where a reconciliation as outlined in subparagraph (1) of this paragraph is not feasible, withdrawals of a representative number of productive materials from stores, for a given period, as shown on the contractor's stores inventory cards, will be reviewed to determine whether such withdrawals are in excess of established requirements for the manufacture of the items produced. In this connection, investigation will be

made to determine the allowances which have been established under the contract for normal losses in the process of manufacture, and the nature of any factors resulting in consumption in excess of such requirements.

(g) The property administrator shall be responsible to the contracting officer for checking the accuracy of documents covering receipts of property by the contractor. The property administrator will likewise assure himself that all items fabricated by the contractor, or withdrawn from the contractor stores for charge to the contract, are properly supported by sound documentation.

(h) Working papers outlining the scope of the check and items covered, will be prepared by the property administrator and maintained by him as a permanent record of his work. Working papers will be designed to show the steps taken in making the required checks with regard to each class of property, the nature and frequency of errors corrected by the contractor as a result of the checks, and cross-reference to any written advices of contracting officer resulting therefrom. The file of working papers will be relied upon as one of the most important indications of the condition of the accounting records, the proper usage of property furnished under the contract, and efficient and consistent performance of the duty on the part of the property administrator and personnel assigned to duty under him.

(i) There will be included in the property administrator's control plan for each contract a provision for check of evidence on the following points at contract completion or termination.

(1) Stock record cards have been reduced to zero;

(2) Any required adjustments have been properly processed and recorded;

(3) Any required collections from the contractor on property transactions have been made and properly recorded;

(4) Inventories have been taken in agreement with contract provisions and directions of the contracting officer;

(5) Residual inventories, if any, have been properly disposed of;

(6) Scrap, if any, has been disposed of; and

(7) Disposition of special tooling has been accomplished as required by the contracting officer.

§ 602.1717 Transfers of property accounts between property administrators.

(a) When transfer of contract property accounts occurs within the same installation and a property administrator is relieved from such duty by the appointing authority, the newly designated property administrator will automatically assume all the control and accounting functions outlined in these instructions, and maintain all the required records which were established by his predecessor. The newly designated property administrator shall be responsible for any corrective action which may be required to insure that the established records conform in every respect to the requirements contained herein. The use

of certificates to effect the transfer of industrial contract property accounts is not required.

(b) Where the property administrator is directed to transfer an established contract property account to a property administrator of a different Army installation or purchasing office, the official contract records will be forwarded with a letter of transmittal showing the date and voucher number, where applicable, at which the transfer is effected and requesting that the receiving property administrator acknowledge receipt of the records by indorsement thereon. A copy of the letter of transmittal will be furnished the appropriate regional office of the cognizant audit agency. The copy of the letter of transmittal bearing the receipt of the receiving property administrator will be retained in the files of the transferring property administrator for informational and control purposes.

(c) Where property administration interchange agreements (paragraph 202, §§ 30.2 and 30.3 of this title) are established during the period of performance on contracts affected by the agreement, the property administration control files and other necessary documents and correspondence will be transferred substantially as prescribed in paragraph (b) of this section, as of the effective date of the interchange agreement. Acknowledgment of receipt of the files will be held in the jacket file of the contract as prescribed in § 602.1704(b) (2).

§ 602.1718 Transfer of property from military to contractor (industrial) property accounts.

Policies and procedures governing the transfer of military property to contractors and the accounting for such property in instances where §§ 30.2 or 30.3 of this title are not applicable are contained in AR 735-71, which regulations include provisions that, where Government property is lost or damaged and the property administrator is unable to exhibit conclusive proof of receipt of the items by a contractor, the property must be accounted for on a Report of Survey (DD Form 200 or DD Form 46) in accordance with AR 735-11.

10. Revise §§ 605.804 and 605.804-50, and in § 606.202, revise paragraph (a), as follows:

§ 605.804 U.S. Government Tax Exemption Certificate (Standard Form 1094—Revised).

Standard Form 1094, 1094a, 1094b will be used in accordance with § 16.804 of this title and §§ 600.205 and 600.302 of this chapter.

§ 605.804-50 Affidavit as proof of shipments to possessions of the United States.

A form of affidavit to be used as proof of exportation or shipment to a possession of the United States is set forth in § 600.204(a) of this chapter.

§ 606.202 Execution of contracts; requirements.

(a) *Availability of funds.* Prior to the incurrence of an obligation, the con-

tracting officer shall obtain a written statement from the individual (normally the finance and accounting officer) responsible for the underlying allotment. Such statement shall: (1) Contain a citation of the proper funds to be charged; (2) reflect that sufficient funds are available for payment of the contractual obligation to be incurred; and (3) be made a part of the contract file (§ 590.311 of this chapter). All contracts, purchase orders, and delivery orders shall reflect the complete accounting classification citation chargeable. The signature of a contracting officer on a contract, purchase order, or delivery order constitutes assurance of the availability and sufficiency of the funds cited. The contracting officer shall be responsible for insuring that final delivery, acceptance and payment, under the terms of the contract, are completed prior to expiration of the period in which the funds cited in the contract are authorized for expenditure.

11. In § 606.203-2, revise paragraph (b); revise subdivision (i) in § 606.204-1 (a)(9); and revise § 606.204-15, as follows:

§ 606.203-2 Scope.

(b) Except as provided in §§ 592.650-9(a) and 606.203-3 of this chapter, purchasing agreements utilizing DD Form 1155 (Order for Supplies or Services) do not come within the purview of this sec-

tion and as such are not subject to any of the provisions contained in this section.

§ 606.204-1 Personal or professional services.

(a) *Employment of experts or consultants by formal contract.* * * *

(9) *Application of Federal Social Security Taxes.* (i) On and after 1 January 1955, individuals (other than aliens performing services outside the United States, the Virgin Islands and Puerto Rico, and alien specialists, retained to meet the requirements of "DEFSIP-B") performing personal services under formal contracts are generally eligible for old age and survivors insurance coverage under the Social Security Amendments of 1954 (Public Law 761, 83d Cong., 68 Stat. 1052 et seq.) when the legal relationship created by the formal contract is that of employer and employee. Ordinarily, an employer-employee relationship exists when the Government has the right to control and direct the individual, not only as to the results to be accomplished by the work, but also as to the details and means by which the result is to be accomplished. If an individual is subject to the control or direction of the Government only as to the result to be accomplished by the work and not as to the means and methods for accomplishing the result, he is an independent contractor not eligible

for coverage (Treas. Reg. 128, sec. 408.204).

§ 606.204-15 Contract review.

At least one competent person, whether or not presently assigned to such office, shall be assigned the duty of reviewing in an advisory capacity all contracts, except purchases of \$2,500 or less. This review shall be conducted prior to award of a contract by the contracting officer or prior to contract approval by commanders or chiefs of field purchasing offices, when such approval is required. The review shall apply to both advertised and negotiated procurements, regardless of the level of procuring authority, and shall be for the purpose of insuring that the clauses and conditions of the contract comply with the principles of good procurement and that the interest of the Government is adequately protected. To the extent that the review required in this section is impractical, this provision may be waived by heads of procuring activities upon determination made to that effect.

[C 19, APP, December 28, 1959] (Sec. 3012, 70A Stat. 157; 10 U.S.C. 3012. Interpret or apply secs. 2301-2314, 70A 127-133; 10 U.S.C. 2301-2314)

R. V. LEE,

Major General, U.S. Army,
The Adjutant General.

[F.R. Doc. 60-1670; Filed, Feb. 24, 1960;
8:45 a.m.]

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 977]

[Docket No. AO-183-A8]

MILK IN PADUCAH, KY., MARKETING AREA

Notice of Recommended Decision and Opportunity To File Written Excep- tions to Proposed Amendments to Tentative Marketing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of this recommended decision of the Deputy Administrator, Agricultural Marketing Service, United States Department of Agriculture, with respect to proposed amendments to the tentative marketing agreement, and order regulating the handling of milk in the Paducah, Kentucky, marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington, D.C., not later than the close of business the 15th day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate.

Preliminary statement. The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreement and to the order, were formulated, was conducted at Paducah, Kentucky, on July 7-10, 1959, pursuant to notice thereof which was issued June 3, 1959 (24 F.R. 4633).

The material issues on the record of the hearing relate to:

1. Expansion of the marketing area;
2. Revision of the pool plant standards;
3. Definition of cooperative associations as handlers with respect to bulk tank milk;
4. Diversion of milk to nonpool plants subject to other Federal orders;
5. Classification of milk transferred to nonpool plants;
6. Allocation of milk received at pool plants from other Federal order markets;
7. Revision of the Class I price provisions; and
8. Provisions regarding handlers operating nonpool plants.

Findings and conclusions. The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

1. Marketing area. The marketing area should be expanded to include the Kentucky counties of Livingston, Lyon, Caldwell, Trigg, (exclusive of that portion in Fort Campbell), Carlisle, Hickman and Fulton and the Tennessee counties of Lake, Obion, Weakley and Dyer. On the basis of the milk marketing conditions which prevail, this additional territory will be described with reference to three groups of counties.

Livingston, Lyon, Trigg and Caldwell counties in Kentucky. These four counties are situated east and north of the present five-county marketing area. The proposal to include these counties in the marketing area was made by the operator of a plant at Princeton, in Caldwell County. This plant is now partially regulated and is the only plant which would become fully subject to the order as a result of the marketing area expansion. The plant operator affirmatively desires extension of regulation to these counties in order to be sure that any competitors would be required to pay the same minimum class prices for milk if they become subject to this order or comparable prices if subject to other Federal orders. These considerations do not apply to Fort Campbell, a small portion of which extends into Trigg County. Extension of the area would also result in his plant being fully, rather than partially, subject to the order. His receipts and utilization would be included in the marketwide pool on the same basis as that of the present pool plant operators.

A distributor located at Hopkinsville in Christian County distributes some milk in Trigg County but the quantities involved appear to be so small that the plant would be exempt from most of the provisions of the order. Another dairy located at Madisonville in Hopkins County distributes milk in Caldwell County. However, it appears that this dairy would be fully regulated under the order for the Ohio Valley marketing area.

No opposition was expressed at the hearing or in the briefs filed by interested parties with respect to the addition of this territory.

Carlisle, Hickman and Fulton counties in Kentucky. These counties are located at the extreme southwestern tip of the State. In Carlisle County over 90 percent of the sales of Grade A milk are made by handlers presently regulated under the Paducah order and most of the remainder are made by handlers regulated under the St. Louis order. In Hickman County, over half of the sales are made by presently regulated Paducah handlers and the remainder by a partially regulated handler operating a plant at Fulton, Kentucky. In Fulton County, sales by the Fulton handler were variously estimated at 45 to 80 percent of the total with most of the remainder being made by handlers regu-

lated under the Paducah and Memphis orders and with small quantities coming from an unregulated plant located at Paragould, Arkansas.

The handler at Fulton has no advantage over the regulated handlers with respect to the cost of milk sold in the presently defined marketing area because of the compensatory payment features of the order. As a matter of practice, he has chosen to pay the farmers delivering Grade A milk to his plant the equivalent of order prices, based on his own utilization. While this provision achieves its intended purpose of denying this handler any advantage based on the minimum prices paid to producers, it permits him to obtain a possible advantage in the procurement of milk from dairy farmers. The Grade A dairy farmers supplying the plant in Fulton are in fact intermingled with those supplying milk to the fully regulated Paducah handlers. It was the position of the cooperative association supplying milk to such handlers that the exclusion of these farmers from the marketwide pool did in fact constitute an unsettling influence in the market.

It is also noted that if Carlisle and Hickman were to be included in the Paducah market, the plant at Fulton would become fully subject to the order. In such circumstances, it would be to this handler's interest to have the marketing area expanded to include as much as possible of his total sales area.

Lake, Obion, Weakley and Dyer counties in Tennessee. These counties are not heavily populated. Current estimates of population range from 11,900 in Lake County to 28,300 in Dyer County and total 89,100 in the four-county area. However, a large number of dealers compete for Class I sales in these counties.

There was considerable variation in the estimates of the proportion of Class I sales in each county by the various distributors. However, there is fairly general agreement that in each of the four counties the proportion of total Class I sales made by handlers presently regulated under the Paducah order range from one-eighth to one-third of the total sales. Handlers subject to the Memphis-Little Rock orders do approximately as great a volume of business in each of the four counties as the Paducah handlers.

The necessity for including these counties rests on the fact that the handler at Fulton, Kentucky (previously referred to) who would be regulated by his sales in Carlisle and Hickman Counties has the largest portion of the Class I sales in Lake County and sizable proportions of the total in Obion and Weakley Counties, but does not sell in Dyer County. A handler operating a plant at Paragould, Arkansas, accounts for between 10 and 20 percent of the total sales in each of the counties of Obion, Weakley and Dyer but such sales account for only 3.7 percent of the total Class I business

of this plant. The primary market for this handler is in northeast Arkansas.

Handlers operating unregulated plants at Dyersburg and Newbern, Tennessee, in Dyer County, account for the remainder of the sales. They make from one-third to one-half of the total sales in Dyer County, 10 to 20 percent in Obion and Lake Counties and only a negligible quantity in Weakley County. The four-county area includes 80 to 85 percent of the total distribution of fluid milk by these handlers.

At one of these plants the dairymen are members of a cooperative association and use a classified price plan for the sale of their milk to the handler. The association also furnishes supplemental milk when needed. The other handler purchases a portion of his milk from local dairymen and the remainder, as needed, from a cooperative association. A base-rating plan is used to settle with the local dairymen on occasions when they furnish more milk than is required for bottling purposes.

Extension of the marketing area to include the four Tennessee counties will provide assurance to producers and handlers that all milk would be subject to a uniform system of classification and minimum pricing and that all producers would share equally in the marketwide utilization.

These four counties in Tennessee encompass most of the territory in which the plants which would become subject to regulation distribute milk. The plants which would be newly regulated are those at Dyersburg and Newbern, Tennessee, and at Fulton, Kentucky. At the same time, the four-county territory creates only a minimum involvement of plants whose primary areas of distribution are outside the named counties.

Other counties in Tennessee. In each of the other six Tennessee counties proposed to be included in the Paducah area, there would be involved dealers whose primary markets are either outside the proposed area or whose sales are directly competitive with those of outside dealers. Accordingly, it is concluded that these counties do not constitute an integral part of the Paducah market and should not be included.

Proposed territory in Missouri and Arkansas. The Paducah Graded Milk Producers Association proposed that the counties of Dunklin, Pemiscot and New Madrid in extreme southeast Missouri be added to the marketing area. The prospect of becoming regulated by reason of sales in these three counties prompted a handler who operates a plant at Sikeston to propose that Scott and Mississippi Counties also be included. Similar considerations prompted a handler operating a plant at Paragould, Arkansas, to propose that seven counties in the northeastern portion of that State also be added to the marketing area.

With respect to the territory in southeast Missouri, Paducah handlers distribute milk in each of the five counties. Their volume of sales ranges from one-fourth to one-third of the total in Dunklin, Pemiscot and New Madrid Counties and is somewhat less in Scott and Mississippi Counties. In addition,

there is some distribution in the five-county area by handlers subject to the St. Louis order. However, the major portion of Class I sales in each county is by unregulated handlers, principally those with plants at Sikeston and Paragould.

It is neither administratively feasible nor economically necessary to include within the marketing area all of the territories in which Paducah handlers do any business. Ideally, the established marketing area should encompass that territory in which handlers who would be regulated do the preponderance of their business and should leave a minimum of competition with unregulated handlers outside the area. By this standard, the Missouri counties should not be included in the market. Moreover, no demonstration was made that milk marketing conditions in southeast Missouri are such as to seriously jeopardize the orderly marketing of milk in the Paducah area.

With respect to the territory in northeastern Arkansas, the elimination of the Missouri counties eliminates the principal potential problem facing the proponent handler. There is no immediate prospect that his volume of sales in other portions of the Paducah marketing area will bring him close to the borderline of full regulation as a pool plant. Moreover, he has been paying comparatively high prices to dairymen because of competition from other markets. To the extent this situation continues, he should have no difficulty meeting the "payments to dairy farmers" option specified in § 977.62(b) of the order.

2. Pool plant standards. The proportion of in-area sales necessary to qualify as a plant should not be raised from the present 10 percent to 20 percent.

There was no evidence that the proposed change would affect any of the plants selling milk in the present or expanded marketing area. It is therefore, preferable that the standard be kept at a minimum so that any plant which may become significantly associated with the market will be fully rather than partially regulated.

3. Bulk tank milk. One proposal considered at the hearing was designed to accommodate efficiencies resulting from the system of collecting milk from farms in bulk tank trucks.

A bargaining cooperative association operates insulated tank trucks in which the milk of producers who have bulk cooling tanks on the farm is picked up and transported to the distributing plants of handlers. There has been a steady expansion in the number of bulk cooling tanks being installed on the farms and it is extremely likely that the trend in this direction will continue.

The transportation of milk from farm to market in insulated tank trucks owned, operated or controlled by a cooperative association has created a problem with respect to the determination of the responsibility to the individual producers. When milk comes to the market in cans, the milk of the individual producers is dumped, weighed, and a sample taken for butterfat testing by an employee of the plant where the milk is utilized. The operator of the plant is fixed with the

responsibility for paying the individual producer for the pounds of milk received at the determined butterfat test.

When milk moves to market in a tank truck, the weight of the milk is checked and a sample for butterfat testing is taken at the farm. The milk of several producers is intermingled in the tank truck. When the tank trucks are owned, operated, or controlled by the cooperative association, the weight of each producer's milk is checked by, and a sample of the milk for butterfat testing is taken by, a person who is an employee of or directly responsible to the cooperative association. The handler who receives the milk of several producers intermingled in the tank has no way of knowing the weight or the butterfat test of the milk of the individual producers whose deliveries made up the load, except as such information may be reported to him by the association. In some instances, particularly in the case of supplemental loads, the handler may not even know the identity of the producers whose milk he receives.

Under these circumstances, it is preferable to allow the cooperative association the option of being responsible for the payment to a producer for a given quantity of milk at a particular test since the handler has no direct means of verifying such weights and test. (In some circumstances it may be mutually advantageous for the proprietary firm to remain the responsible handler even where the cooperative is in charge of the hauling.) On such milk as the cooperative acts as the handler it should be required to charge at least the class prices to the plant operator for such milk and should be required to make the monthly reports with respect to such milk and to settle with the producer settlement fund for it.

In order to avoid misunderstanding concerning the classification of milk delivered by a cooperative in bulk to the pool plants of other handlers, the order should specify the method for classifying such milk. This can be achieved by providing for pro rata classification at the pool plant of bulk tank milk on which the association is a handler. Such classification would, of course, automatically be subject to any audit adjustments. It would also expedite the association's report of receipts and utilization. The association would report as a receipt the original weights and tests as the milk was picked up at the farms. It could then report the quantities delivered to specified pool plants and the administrator could supply the classification of such milk from the report submitted by the handler operating the pool plant.

4. Diversion to nonpool plants. Milk diverted, under the terms of the Paducah order, to a nonpool plant which was a regulated plant under another Federal order could simultaneously qualify as producer milk under both orders. This result should be avoided by specifying that such milk cannot be reported as diverted under the Paducah order. The result will be that the milk will qualify as producer milk at the plant where it is physically received.

5. *Transfers to nonpool plants.* There is frequent occasion to transfer milk from pool plants to nonpool plants. This can be accomplished either as a direct transfer (usually in bulk tank) from one plant to the other or, alternatively, by a diversion for the account of a regulated handler directly from the farms to the nonpool plant. Obviously the particular milk transferred cannot be specifically accounted for at the nonpool plant, so allocation rules are necessary just as they are to accomplish classification within a fully regulated plant. At present, the milk transferred or diverted to a nonpool plant is assigned to the lowest available use of an equivalent quantity of milk in the nonpool plant.

This method of allocating to the lowest equivalent use facilitates the disposal of milk not needed for bottling in the Paducah market. However, there are opportunities for abuse, involving the bottling of the transferred milk and its sale for fluid use. It is possible that a supply plant can earn a greater margin by selling milk to a nonpool plant at a price somewhat above the Class II price than by shipping the milk to a Paducah city plant at the Class I price. If the nonpool plant operator has both manufacturing and bottling operations in his plant, he can assign the transferred milk to Class II while physically using it for his bottling operation. If he is short of bottling quality milk, he would be willing to pay substantially more than the Class II price for Paducah supplies. At the same time, the Paducah bottling plant operator might have to resort to other source milk for his Class I requirements. Obviously, such practice would reduce the quantity and proportion of producer milk used in Class I, reduce the blend price, and at the same time constitute unfair competition to the dairy farmers supplying the nonpool plant and to regulated competitors of such plant and perhaps deprive the Paducah market of needed supplies from regular sources.

There is a technique which will eliminate the major deficiencies in the present transfer provision without disrupting the outlets for the reserve milk. This can be done by assigning to Class I at the transferee plant a quantity of transferred or diverted milk equal to any amount by which the regular receipts of Grade A milk from local dairy farmers at the nonpool plant is less than Class I sales at such plant.

The transfer provisions should provide for pro rata allocation of assignable Class I credit in the event milk was sent to a nonpool plant from more than one Paducah pool plant. In case milk is also received at the nonpool plant or from plants subject to other Federal milk marketing orders which assign such milk to Class I, pro rata allocation should also apply. In case milk is transferred from the nonpool plant to a second plant, the same rules of classification should apply.

6. *Five percent set aside.* The order should not be amended to provide that up to 5 percent of producer milk be allocated to Class II at a pool plant in any month when supplemental milk is obtained from plants subject to other Federal orders.

The regulated handlers should be encouraged to make the maximum utilization of the milk supplied by the regular producers on the market before drawing on supplemental supplies. The assignment of producer milk to Class II would reduce rates to producers at the same time that the handler was purchasing supplemental supplies. It also reduces the incentive for handlers to acquire a full supply of producer milk.

The proponent of a 5 percent set aside operates one of the largest plants in the market and commonly receives any supplemental milk that is needed while smaller scale plants are assigned the supplies of local milk. It appears, however, that the resulting differences in the effect of the allocation receipt provisions at his plant as compared with those at other plants could be handled by appropriate handling charges or in other ways without creating an incentive for the use of other source milk.

7. *Class I price.* The annual average Class I differential should remain at \$1.30 over basic formula prices but the seasonal variation in the differential should be reduced. In addition, a separate pricing zone comprised of Fulton County, Kentucky, and Lake, Obion, Weakley, and Dyer Counties in Tennessee should be established with Class I prices 10 cents over those prevailing in the base zone.

The annual average Class I price which has prevailed under the Paducah order is in close alignment with the Class I price provided in competitive markets. For example, in 1958 the Paducah Class I price for milk of 3.5 percent butterfat content averaged \$4.32 per hundredweight. Handlers regulated under the Nashville, Tennessee, order have substantial sales in the Paducah market and their Class I price also averaged \$4.32 in 1958. In St. Louis, the other Federal order market from which handlers regularly distribute milk in Paducah, the Class I price averaged \$4.30.

Another type of competition is provided by markets from which bulk milk may be obtained by the Paducah handlers. To date the Paducah handlers have obtained only such quantities of supplemental milk as were not available from the local producers and, in fact, the procurement of such supplemental supplies has been the responsibility of the producers' association. However, the Paducah Class I price cannot significantly exceed the cost of obtaining milk from alternative sources without jeopardizing the outlets which are now available to the local producers.

In recent months, the largest volume of supplemental milk has come from the Cedar Rapids, Iowa, market. In 1958, the Cedar Rapids Class I price averaged \$3.87. This source of supply is 457 miles from Paducah, and transportation costs at an assumed rate of 1.5 cents per hundredweight per 10 miles would approximate 69 cents, for a gross value at Paducah of \$4.56. Chicago is another potential source of supply. In 1958, the Class I price in that market averaged \$3.72, and a hauling cost of 58 cents for the 383 miles would result in a delivered-at-Paducah cost of \$4.30.

In view of the direct competition with distributing plants subject to other nearby orders and the alternative cost of bulk supplies from surplus markets further north, the annual average level of the Paducah price should not be changed.

The Paducah order now provides a Class I differential of 70 cents in the flush production months of April, May, June and July and \$1.60 in the other eight months of the year. This seasonal variation of 90 cents per hundredweight compares with a differential of 40 cents in the Chicago and Iowa orders, 30 cents in Nashville and 75 cents in St. Louis. (Official notice is hereby taken that a proposed reduction in the seasonal variation of the St. Louis differential was considered at a hearing held on January 18, 1960.)

The variation in the Class I price differential is designed to discourage production during the months of normally flush output and to encourage production during the months of normally low production. However, it also has the effect of creating disparities in the prices paid by handlers who compete directly with each other but are subject to different orders. The comparatively high differentials during the months of August through February also tend to enhance the attractiveness of the Paducah market to supply plant operators in markets where there is less seasonal variation in the Class I price.

It is concluded that the Paducah differentials should be 90 cents in April, May, and June, \$1.20 in March and July, and \$1.50 in August through February. These would compare with the Nashville differentials of \$1.40 during August through January and \$1.10 in February through July. As is previously stated, the Paducah handlers encounter more extensive competition from Nashville handlers than from those subject to any other Federal order. These revised Class I differentials would result in a seasonal variation of 60 cents. This should be adequate to maintain as level a production pattern as now prevails in the market. If, however, production becomes more seasonal, a more positive seasonal incentive plan could be considered.

A separate price zone should be established in the southwestern portion of the market. It should include Fulton County, Kentucky, and Lake, Obion, Weakley, and Dyer Counties in Tennessee. Prices paid by dealers in this region to producers for Grade A milk have historically been higher than those prevailing at Paducah. Also, those counties are further from the usual sources of supplementary supplies. Accordingly, such milk would cost more by the amount of the additional transportation charges. Also, these counties are closer to the Memphis and Little Rock markets, in which Class I prices have been substantially higher than in Paducah. Handlers in the southwestern zone compete with Memphis and Little Rock handlers both in the sale and procurement of milk and a higher Class I price should be provided at plants in this zone.

It is appropriate that the Class I price for the southwest zone be 10 cents higher

than in the base zone. Fulton is approximately 50 miles from Paducah and Dyersburg is 95 miles distant. The 10 cents reflects transportation costs, at the rate of 1.5 cents per 10 miles specified in the location adjustment from Paducah to the approximate center of the southwestern zone.

The location adjustments on Class I milk at plants located outside the marketing area should be measured from additional points in the enlarged marketing area. This can be accomplished by specifying the courthouse in each county of the marketing area as a measuring point for location adjustment, all measurements being taken to the nearest courthouse. The rates should remain at 7.5 cents in the 40-50 mile zone plus 1.5 cents for each additional 10 miles. However, they should be deducted from the Class I price in which-ever zone was closest.

The uniform prices to producers should reflect the same pattern of zones and location adjustments as are specified for Class I, but should apply to all the milk delivered by producers. This reflects the fact that the value of milk delivered at points distant from the market or in the specified zones reflects its value in the Class I or fluid use.

8. *Handlers operating nonpool plants.* The order presently provides two alternative means of determining the obligations of handlers operating nonpool plants. They may either pay the difference between Class I and Class II prices on their volume of in-area sales or they may pay into the equalization fund any amount by which they have paid their Grade A dairy farmers less than the use value of their milk at order prices.

The handler should choose one of these options at the time he submits his report to the market administrator. The assessment of administrative expenses should depend upon which option is chosen by the nonpool distributor. If he elects to pay the difference between Class I and Class II or Class I and blend prices on his in-area sales, he should continue to pay administrative expense only on such quantities. However, if he elects the payment-to-dairy-farmers option, he should pay administrative expense on his entire receipts from the Grade A dairy farmers. Obviously, the second option involves fully as much verification of receipts and utilization by the market administrator as at a pool plant. Such verification might well include the checking of weights and butterfat tests of receipts from dairy farmers and of the product sold as well as an audit of the books and records. Also, some of the fully regulated plants have nearly as large a proportion of out-of-area sales as a nonpool distributor, yet are assessed administrative expense on their entire receipts.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties in the market. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and

conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Recommended marketing agreement and order amending the order. The following order amending the order regulating the handling of milk in the Paducah, Kentucky, marketing area is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be the same as those contained in the order, as hereby proposed to be amended:

1. Revise § 977.5 to read as follows:

§ 977.5 Paducah, Kentucky, marketing area.

The "Paducah, Kentucky, marketing area" hereinafter called the "marketing area" means all of the territory within the boundaries of the Kentucky counties of McCracken, Ballard, Marshall, Graves, Calloway, Livingston, Lyon, Caldwell, Trigg (except that portion contained in the Fort Campbell military reservation), Carlisle, Hickman, and Fulton, and the Tennessee counties of Lake, Obion, Weakley, and Dyer. The "southwestern zone" includes Fulton County, Kentucky, and Lake, Obion, Weakley, and Dyer Counties in Tennessee. The "base zone" includes all other counties in the marketing area.

§ 977.10 [Amendment]

2. In § 977.10 delete the word "or" preceding paragraph (c), change the period at the end of paragraph (c) to a colon, and add the following:

or (d) a cooperative association which chooses to report as a handler with respect to milk which is delivered to the pool plant(s) of another handler in a tank truck owned or operated by, or under contract to, such cooperative association for the account of such cooperative association. Milk handled under paragraph (d) shall be allocated pro rata to each class with all the milk received at the pool plant after deducting other source milk. Milk handled by a cooperative association pursuant to paragraph (c) shall be deemed to have been received at a pool plant at a location identical with that from which diverted and that under (d) at the pool plant to which delivered.

§ 977.11 [Amendment]

3. In § 977.11 delete the colon just preceding the "Provided" and insert the following: "(unless such nonpool plant is subject to the classification and pricing provisions of another order issued pursuant to the Act):"

§ 977.15 [Amendment]

4. In § 977.15(a) (1) delete the comma and insert the phrase "or from a cooperative association pursuant to § 977.10 (d)."

§ 977.30 [Amendment]

4a. In § 977.30(a) delete the phrase "and (3) other source milk," and substitute therefor the phrase "(3) milk received from cooperative associations pursuant to § 977.10(d), and (4) other source milk".

§ 977.40 [Amendment]

5. In § 977.40 delete the phrase "at a pool plant".

§ 977.43 [Amendment]

6. In § 977.43 delete the phrase "from a pool plant" and substitute therefor the phrase "by a handler".

7. Revise § 977.43(c) to read as follows:

(c) As Class I milk if transferred or diverted in bulk form as milk, skim milk or cream to a nonpool plant

(1) Unless utilization in a product specified in § 977.41(b) is indicated in writing to the market administrator by the operator of the pool plant on or before the 6th day after the end of the month within which such transaction occurred;

(2) Unless the operator of the nonpool plant maintains books and records showing the utilization of all milk and milk products at such plant which are made available if requested by the market administrator for the purpose of verification, and

(3) To the extent of the quantity of assignable Class I milk remaining after the following computation:

(i) From the total skim milk and butterfat, respectively, disposed of from such nonpool plant and classified as Class I milk pursuant to the classification

provisions of this order applied to such nonpool plant, subtract the skim milk and butterfat received at such plant directly from dairy farmers who hold permits, or ratings to supply "Grade A" milk and who the market administrator determines constitute the regular source of supply for such fluid milk products for such nonpool plant;

(ii) From the remaining quantity of Class I milk, subtract, pro rata in proportion to total receipts from such sources, the skim milk and butterfat, respectively, received from (1) any plant which is classified as Class I pursuant to the classification and pricing provisions of another order issued pursuant to the Act, or (2) other pool plants under this order.

If any milk is transferred to a second nonpool plant under this paragraph (c), the same conditions of audit, classification, and allocation shall apply.

§ 977.45 [Amendment]

8. In § 977.45(a) (5), immediately following the phrase "from pool plants of other handlers", insert the phrase "or from a cooperative association pursuant to § 977.10(d)."

§ 977.51 [Amendment]

9. Revise § 977.51(a) to read as follows:

(a) *Class I price.* The price for Class I milk for the month at plants located in the base zone shall be the basic formula price for the preceding month plus 90 cents in April, May, and June, \$1.20 in March and July, and \$1.50 in the other months. At plants located in the southwestern zone, the price for Class I milk shall be 10 cents higher than in the base zone.

§ 977.53 [Amendment]

10. In § 977.53 delete the phrase "in either Graves or McCracken Counties", and substitute therefor the phrase "in any of the counties included in the marketing area".

11. Revise § 977.62 to read as follows:

§ 977.62 Handlers operating nonpool city plants.

In lieu of the payments required pursuant to §§ 977.80 through 977.86, each handler other than a producer-handler or one exempt pursuant to § 977.61, who operates during the month a nonpool plant, shall pay to the market administrator the amounts calculated pursuant to paragraph (b) of this section unless the handler elects, at the time of reporting pursuant to § 977.30, to pay the amounts computed pursuant to paragraph (a) of this section;

(a) The following amounts, at the times specified:

(1) On or before the 25th day after the end of the month, for the producer settlement fund, an amount equal to the difference between the value of Class I milk disposed of to retail or wholesale outlets (including deliveries by vendors and sales through plant stores) at the Class I price for the month and:

(i) During the months of April through July, the Class II price, or

(ii) For the months of August through March the uniform price; and

(2) On or before the 25th day after the end of the month, as his share of the expense of administration, the rate specified in § 977.88 with respect to Class I milk so disposed of in the marketing area.

(b) The following amounts, at the times specified:

(1) On or before the 25th day after the end of the month, for the producer settlement fund, any plus amount resulting from the following computation:

(i) Compute an amount, equal to the value of milk which would be computed pursuant to § 977.70 for milk received from Grade A dairy farmers at such plant for such month if such plant had been a pool plant;

(ii) Deduct the payments per hundredweight of milk made by such handler to approved dairy farmers for milk received during such month: *Provided*, That if such handler has paid dairy farmers by more than one rate, the payments to approved dairy farmers shall be computed at the lowest rates paid for a volume of milk equal to the volume disposed of in the marketing area; and

(2) On or before the 25th day after the end of the month, as his share of the expense of administration, an amount equal to that which would have been computed pursuant to § 977.88 had such plant been a pool plant.

§ 977.71 [Amendment]

12. Revise § 977.71(b) to read as follows:

(b) Add an amount equivalent to the total deductions made pursuant to § 977.86 and subtract an amount computed by multiplying by 10 cents the hundredweight of producer milk received at plants which are either (1) located in the southwestern zone or (2) subject to location adjustments computed from locations in the southwestern zone.

13. In § 977.71(f) change the last sentence to read "The resulting figure shall be the uniform price per hundredweight of milk testing 3.5 percent butterfat delivered to plants located in the base zone".

§ 977.80 [Amendment]

14. In § 977.80(a) (2) delete the word "and" preceding item (iv) and the colon which follows the item and insert the following: "and (v) plus 10 cents for each hundredweight of milk received from each producer at a plant which is either located in the southwestern zone or subject to location adjustments computed from locations in the southwestern zone."

§ 977.80 [Amendment]

15. In § 977.80 add a paragraph as follows:

(d) On or before the 14th day of the following month each handler shall pay to a cooperative association, with respect to such milk as was received from the association in its capacity as a handler

during the months not less than value of such milk at the applicable class prices.

§ 977.86 [Amendment]

16. In § 977.86 delete the phrase "in either Graves or McCracken County" and substitute therefor the phrase "in any of the counties included in the marketing area."

§ 977.88 [Amendment]

17. Delete § 977.88(c) and substitute therefor the following:

(c) The quantities of milk at plants of handlers operating nonpool plants as specified in § 977.62 (a) (2) or (b) (2).

Issued at Washington, D.C., this 19th day of February 1960.

ROY W. LENNARTSON,
Deputy Administrator.

[F.R. Doc. 60-1710; Filed, Feb. 24, 1960; 8:50 a.m.]

DEPARTMENT OF THE INTERIOR

National Park Service

[36 CFR Part 7]

GLACIER NATIONAL PARK, MONTANA

Recreational Water Use

Basis and Purpose. Notice is hereby given that pursuant to the authority vested in the Secretary of the Interior by Section 3 of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 3), it is proposed that the present text of Title 36, CFR, Chapter I, § 7.3, Paragraphs a, b, c, d, e, and f be amended by the addition of the following paragraph as set forth below. The purpose of these amendments is to limit and control the use of water craft, as well as to establish reasonable and safe regulations. The present text of Chapter I, Title 36 CFR § 1.59 does not include regulations that apply to the multiple uses of and heavy concentration of water craft in Glacier National Park.

It is the policy of the Department of the Interior whenever practicable, to afford the public an opportunity to participate in the rule making process. Accordingly, interested persons may submit written comments, suggestions, or objections with respect to the proposed amendments to the National Park Service, Washington 25, D.C., within thirty days of the date of publication of this notice in the FEDERAL REGISTER.

Thus, in addition to Paragraphs a, b, c, d, e, and f of § 7.3, the following paragraph is included and these amendments become effective at the beginning of the thirtieth calendar day following the date of publication in the FEDERAL REGISTER. As amended, § 7.3(g) reads as set forth below:

§ 7.3 Glacier National Park.

(g) *Recreational water use.* (1) Use of motor propelled boats is prohibited on all lakes not reached by administratively approved roads.

(2) Water skis or surfboards being towed by motorboats are prohibited on all lakes except Lake McDonald and St. Mary Lake.

(3) Air or water propelled boats are prohibited on all Park waters.

Issued this 23d day of December 1959.

STANLEY C. JOSEPH,
*Acting Superintendent,
Glacier National Park.*

[F.R. Doc. 60-1678; Filed, Feb. 24, 1960;
8:46 a.m.]

DEPARTMENT OF LABOR

Division of Public Contracts

[41 CFR Part 50-202]

ELECTRONIC COMPONENT PARTS INDUSTRY

Notice of Hearing To Determine Prevailing Minimum Wages

Pursuant to section 4(a) of the Administrative Procedure Act (60 Stat. 238; 5 U.S.C. 1003), notice is hereby given that a hearing to determine the prevailing minimum wages in the electronic component parts industry under section 1(b) of the Walsh-Healey Public Contracts Act (49 Stat. 2036, as amended; 41 U.S.C. 35 et seq.) will be held before a Hearing Examiner on March 29, 1960, beginning at 10 o'clock a.m. in Room 200, Railway Labor Building, First and D Streets NW., Washington, D.C.

For the purpose of this hearing the electronic component parts industry is defined as that industry which manufactures functional parts for inclusion in electronic end products or assemblies such as, but not limited to, transmitting and receiving equipment, all types of detection and tracking apparatus and systems, electronic computers, sound distribution equipment, test equipment, and power supplies.

Included are those parts of an electronic end product which affect the current characteristics within its circuit such as, but not limited to, resistors, capacitors, relays, connectors, switches, transformers, reactors, coils, chokes, inductors, vibrators, filters, pulse networks, home-type TV and FM antennas, headphones, microphones, loudspeakers, piezo-electric crystals and crystal devices, and permeability tuning devices; specialized microwave components; specialized ferrite components; and complex components, packaged components, modules, and other similar component combinations manufactured as a single unit.

Specifically excluded from this definition are (1) electron tubes and parts, solid-state semiconductor devices and parts, batteries of all types and parts, electric lamps and parts, electronic and/or electrical indicating and test equipment, and those electronic components designed, manufactured, and used as test or precision standards; (2) all electronic end products, systems, equipment, or assemblies such as receiving and transmitting equipment for home, broadcast or communications applications, all

types of detection and tracking apparatus and systems, electronic computers, switchboard equipment, central control units and systems, sound distribution equipment, complete audio amplifiers, IF and RF amplifiers (except complex component types), power rectification equipment, and power supplies; and (3) structural components such as, but not limited to, cabinets, control panels, chassis blanks and complete chassis, printed, etched or stamped circuit boards (blank or ready for component insertion), wire and cable harnesses and assemblies, tube sockets, terminal boards and clips, binding posts, standoffs, pass-throughs, insulators, shield cans, hermetic seals, dial assemblies, knobs and control handles, and control shifts, extensions, couplings, gears and control assemblies.

Interested persons may appear at the time and place specified herein and submit evidence as to the following subjects and issues: (1) The appropriateness of the proposed definition of the industry; (2) what are the prevailing minimum wages in the industry; (3) whether a single determination for all the area in which the industry operates or separate determinations for smaller geographic areas (including the appropriate limits for such areas) should be determined for this industry; and (4) whether there should be included in any determination for this industry provision for the employment of beginners or probationary workers at wages lower than the prevailing minimum wages and on what terms or limitations, if any, such employment should be permitted.

Employment and wage data in this industry for the payroll period ending nearest October 15, 1958, have been gathered by the Department of Labor. Data relating to the competition in this industry for Government contracts have also been collected. This information will be submitted for consideration at the hearing and is now available to interested persons on request.

Written statements may be filed with the Chief Hearing Examiner at any time prior to the hearing by persons who cannot appear personally. An original and three copies of any such statement shall be filed and shall include the reason or reasons for non-appearance. Such statement shall be under oath or affirmation and will be offered in evidence at the hearing. If objection is made to the admission of any such statement, the Presiding Officer shall determine whether it will be received in evidence.

To the extent possible, the evidence of each witness and the sworn or affirmed statements of persons who cannot appear personally, should permit evaluation on a plant-by-plant basis, and state: (1) (a) The number and location of establishments in the industry to which the testimony of such witness or such written statement is applicable, (b) the number of workers in each such establishment, (c) the minimum rates paid to covered workers, the number of covered workers at each such establishment receiving such rates and the occupations in which they are employed, (d) the minimum wages paid to beginners or

probationary workers in each such establishment, the scale of wages paid during probationary periods, the length of such periods, the number of workers receiving such wages, and the occupations in which they are employed; (2) the identity of any product not now included in the definition of the industry which should be included and of any product now included which should not be included; (3) the geographic area or areas of competition for Government contracts within this industry; and (4) the change in the minimum wages paid since October 15, 1958, to persons employed in this industry.

The hearing will be conducted pursuant to the rules of practice for minimum wage determinations under the Walsh-Healey Public Contracts Act codified in 41 CFR Part 203.

Signed at Washington, D.C., this 17th day of February 1960.

JAMES T. O'CONNELL,
Acting Secretary of Labor.

[F.R. Doc. 60-1679; Filed, Feb. 24, 1960;
8:46 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Part 507]

[Reg. Docket No. 286]

AIRWORTHINESS DIRECTIVES

Notice of Proposed Rule Making

Pursuant to the authority delegated to me by the Administrator, (§ 405.27, 24 F.R. 2196), notice is hereby given that the Federal Aviation Agency has under consideration a proposal to amend Part 507 of the Regulations of the Administrator to include an airworthiness directive providing serial numbers of certain Continental engines in which the piston pin assembly must be replaced. The proposed directive will supersede AD 59-10-4 (24 F.R. 5178) and portions of item 1 of AD 56-6-1 (21 F.R. 9542).

Interested persons may participate in the making of the proposed rule by submitting such written data, views or arguments as they may desire. Communications should be submitted in duplicate to the Docket Section, of the Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. All communications received on or before March 28, 1960, will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this notice may be changed in light of comments received. All comments submitted will be available, in the Docket Section, for examination by interested persons when the prescribed date for return of comments has expired. This proposal will not be given further distribution as a draft release.

This amendment is proposed under the authority of sections 313(a), 601 and 603 of the Federal Aviation Act of 1958 (72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423).

In consideration of the foregoing, it is proposed to amend § 507.10(a), (14 CFR Part 507), by adding the following airworthiness directives:

CONTINENTAL ENGINES. Applies to E185-8, E185-9, E185-11, E225-4 and E225-8 engine models.

Compliance required at next periodic inspection, but not later than September 1, 1960.

An inflight failure has indicated that additional information regarding engines affected by the piston pin replacement requirements should be provided. This AD is therefore issued to supply specific serial numbers of all known affected engines.

Unless previously accomplished per Continental Service Bulletin 56-2, replace piston pin assembly P/N 535145 with piston pin assembly P/N 539467 in all engines rebuilt (remanufactured) and shipped from Continental Motors Corporation between April 1, 1954, and May 1, 1955. Included are the following serial numbers:

Remanufactured E185-8, E185-9 and E185-11 Engines: 6128 to 6135, 22200 to 22269, 25015, 25037, 25044, 25048, 25057, 25065, 25071, 25075, 25086, 25087, 25137, 25141, 25162, 25189, 25202, 25210, 25220, 25234, 25243, 25254, 25269, 25288, 25307, 25320, 25325, 25333, 25376, 25379, 25381, 25387, 25422, 25426, 25464, 25518, 25526, 25545, 25562, 25575, 25578, 25611, 25649, 25718, 25754, 25761, 25766, 25767, 25783, 25790, 25795, 25819, 25834, 25897, 25930, 25950, 25957, 25958, 25996, 26003, 26088, 26095, 26104, 26121, 26138, 26304, 26321, 26327, 26343, 26452 to 26412 inclusive.

Remanufactured E225-4 and E225-8 Engines: 30122, 30163 to 30715, 32154, 35001, 35082, 35086, 35095, 35113, 35128, 35132, 35133, 35135, 35137, 35138, 35139, 35144, 35145, 35151 to 35254 inclusive.

Engines with piston pin assembly P/N 530845 are satisfactory and do not require modification.

This supersedes AD 59-10-4 (24 F.R. 5178) and those portions of item 1 of AD 56-6-1 (21 F.R. 9542) affecting these engine models: E185-8, -9 and -11, and E225-4 and -8.

Issued in Washington, D.C., on February 18, 1960.

OSCAR BAKKE,
Director,
Bureau of Flight Standards.

[F.R. Doc. 60-1673; Filed, Feb. 24, 1960; 8:45 a.m.]

[14 CFR Part 514]

[Docket No. 285]

TECHNICAL STANDARD ORDERS FOR AIRCRAFT MATERIALS PARTS, PROCESSES, AND APPLIANCES

Automatic Pilots

Pursuant to the authority delegated to me by the Administrator (§ 405.27, 24 F.R. 2196) notice is hereby given that the Federal Aviation Agency has under consideration a proposal to amend Part 514 of the regulations of the administrator by adopting a new Technical Standard Order.

This Technical Standard Order will amend § 514.19 (21 F.R. 6508) which establishes minimum performance standards for automatic pilots used in civil aircraft of the United States, by incorporating a more recent industry standard.

Interested persons may participate in the making of the proposed rule by submitting such written data, views or arguments as they may desire. Communications should be submitted in duplicate to the Docket Section of the Federal Aviation Agency, Room B-316, 1711 New

York Avenue NW., Washington 25, D.C. All communications received on or before April 12, 1960, will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received. All comments submitted will be available, in the Docket Section, for examination by interested persons when the prescribed date for return of comments has expired. The proposal will not be given further publication as a draft release.

This amendment is proposed under the authority of sections 313(a) and 601 of the Federal Aviation Act of 1958 (72 Stat. 752, 775; 49 U.S.C. 1354(a), 1421).

In consideration of the foregoing it is proposed to amend Part 514 as follows:

By amending § 514.19 as follows:

§ 514.19 Automatic pilots—TSO-C9c.

(a) *Applicability.*—(1) *Minimum performance standards.* Minimum performance standards are hereby established for automatic pilots to maintain flight and/or to provide maneuvering about the three axes through servo control which specifically are required to be approved for use in civil aircraft of the United States. New models of autopilots manufactured for such use on or after the effective date of this section shall meet the standards set forth in SAE Aeronautical Standard AS-402A, "Automatic Pilots," dated February 1, 1959,¹ with the exceptions listed in subparagraph (2) and the additions listed in subparagraph (3) of this paragraph. Automatic pilots approved by the Administrator prior to the effective date of this section may continue to be manufactured under the provisions of their original approval.

(2) *Exceptions.* (i) Conformance with the following sections is not required: 3.1; 3.1.1; 3.1.2; 3.2; 4.2.1.

(ii) Substitute the following for section 7.:

7. *PERFORMANCE TESTS:* The following tests, in addition to any others deemed necessary by the manufacturer, shall be the basis for determining compliance with the performance requirements of this standard.

(3) *Additions.* In addition to the means of indication specified in section 4.3 of AS-402A, the following shall be included:

(i) *Power malfunction indication.* A means shall be provided in the instrument to show when adequate power (voltage and/or current) is not being made available to all phases required for the proper operation of the instrument.

(ii) *Airborne navigation reference indication.* A visual means shall be provided to show the pilot when the automatic pilot is not engaged to the airborne navigation reference.

(b) *Marking.* In addition to the markings required in § 514.3, range and rating shall be shown.

(c) *Data requirements.* One copy each of the following shall be furnished to the Chief, Engineering and Manufacturing Division, Federal Aviation Agency, Washington 25, D.C.

¹ Copies may be obtained from the Society of Automotive Engineers, 485 Lexington Avenue, New York 17, N.Y.

(1) Manufacturer's operating instructions.

(2) Complete set of instrument drawings of major components and a test report.

(3) Installation procedures with applicable schematic drawings.

Issued in Washington, D.C., on February 18, 1960.

OSCAR BAKKE,
Director,
Bureau of Flight Standards.

[F.R. Doc. 60-1672; Filed, Feb. 24, 1960; 8:45 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Part 3]

[Docket No. 6741; FCC 60-155]

CLEAR CHANNEL BROADCASTING IN THE STANDARD BROADCAST BAND

Second Supplement to Third Notice of Further Proposed Rule Making

1. The Clear Channel Broadcasting Service has filed with the Commission on November 24, 1959, a Petition for Clarification of the Commission's third notice of further proposed rule making in the instant proceeding, adopted September 18, 1959, released September 22, 1959.

2. CCBS therein requests clarification of the following matter: (1) In the third notice comments have been invited on the plan of assigning new unlimited time stations on the Class I-A channels; (2) as heretofore there has been no nighttime duplication on Class I-A channels, the Commission's rules do not include engineering standards of protection to be afforded Class I-A stations from nighttime co-channel operations; (3) nor are such standards explicitly stated in the Third Notice as an adjunct to the requested formulation of comments. CCBS states its own opposition to any nighttime duplication on the Class I-A clear channels, but notes that CCBS and other interested parties need a precise statement of the nighttime protection to be afforded Class I-A stations under the proposed plan in order to formulate their comments thereon. CCBS claims that this requirement is not satisfied by that portion of paragraph 13 of the Third Notice wherein it is stated that: "Each new station licensed under the amended Rule would be required to install a directional antenna, designed to control the direction of radiation of energy in order to provide a satisfactory degree of protection from harmful interference to the existing service in the United States on these channels."

3. The proposal to consider new unlimited-time assignments on clear channels as set out in the third notice does not incorporate a formula, routinely applicable in each case, to determine a fixed maximum limit of radiation toward the dominant Class I station on the frequency. Such a formula would necessarily define one particular new

PROPOSED RULE MAKING

concept of Class I-A operation, whereas, it was desired at this time, instead, to explore the various possible modifications of the existing concept of the Class I-A station. Possible bases for nighttime standards of protection to Class I-A stations exist in: (1) The 0.5 mv/m 50 percent skywave contour which presently provides the basis for nighttime protection for Class I-B stations under the Commission's rules; (2) Type "E" or Type "F" service as defined in Exhibit 109 of this proceeding. There are also other possibilities which merit consideration with respect to their consistency with the general objective of allowing new unlimited time operations on clear channels while preserving, insofar as possible, the Class I-A character and usable service of the existing stations. It is, furthermore, noted that under the terms of the proposal set out in the third notice, the individual merits and deficiencies of each application for unlimited time assignment on a particular channel in the designated state or states would be studied, and due consideration given to, among other factors, the nighttime interference which would result from each proposed operation to the dominant station on the channel.

4. In view of the foregoing, interested parties are at liberty to include in their comments in response to the third notice consideration of: (1) The general interference situation which would result from implementation of the proposed plan; (2) the approximate pattern of nighttime utilization of any particular channel under this plan; (3) proposed engineering standards for the limitation of nighttime co-channel interference to Class I-A stations under this or any other plan involving nighttime duplication of the clear channels.

Adopted: February 17, 1960.

Released: February 19, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-1695; Filed, Feb. 24, 1960;
8:48 a.m.]

[47 CFR Part 3]

[Docket No. 13374; FCC 60-157]

TABLE OF ASSIGNMENTS, TELEVISION BROADCAST STATIONS

Grand Rapids, Cadillac, Traverse City and Alpena, Mich.

1. On February 1, 1960, the Commission released its notice of proposed rule making in the above-entitled proceeding which, among other things, invited comments on three alternative proposals to assign an additional TV channel in Grand Rapids. As part of Alternative No. 1 set out on Page 2 of its notice, the Commission suggested the substitution of Channel 3 for Channel 9 at Alpena. It has been determined that the substitution of Channel 6 for Channel 9 at Alpena would cause less interference to service provided by Canadian stations. Therefore, it appears that it would be in

the public interest to amend Alternative No. 1 by substituting Channel 6 for Channel 3 in the proposal as follows:

ALTERNATIVE No. 1

City	Channel No.	
	Present	Proposed
Grand Rapids, Mich..	8+, *17+, 23-	8+, 13-, *17+, 23-
Cadillac, Mich.....	13-, 45	7+, 45
Traverse City, Mich..	7+, 20-, *26+	9+, 20-, *26+
Alpena, Mich.....	9+, *11, 30-	6, *11, 30-

2. In Paragraph 10 of the February 1, 1960, notice, we referred to the pending applications of Lake Huron Broadcasting Corporation and Gerity Broadcasting Company for Channel 9 at Alpena. If Alternative No. 1, as amended, is adopted, the applicants would be able to amend their respective applications to specify operation on Channel 6 instead of Channel 3 as proposed in our notice of February 1.

3. Since comments in this proceeding are not due until April 19, 1960, we find there will be ample time to file the same within the period presently specified in our original notice. Further, in commenting hereon, consideration should be given to the matters set out in detail in the original notice, including those pertaining to Docket No. 13340, which are detailed in Paragraph 13 thereof.

4. The requisite statutory authority is contained in sections 4(i), 303 and 307(b) of the Communications Act of 1934, as amended.

5. All interested persons are invited to file, on or before April 19, 1960, comments supporting or opposing the proposals set out in this notice, or to tender any modifications or counterproposals the parties may wish to submit. Comments in reply thereto may be submitted by May 4, 1960. The Commission will consider all comments filed hereunder prior to taking final action in this matter provided that, notwithstanding the provisions of § 1.213 of the rules, the Commission will not be limited solely to the comments filed in this proceeding.

6. In accordance with the provisions of § 1.54 of the Commission's rules and regulations, an original and 14 copies of all statements, briefs, or comments shall be furnished to the Commission.

Adopted: February 17, 1960.

Released: February 19, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-1697; Filed, Feb. 24, 1960;
8:48 a.m.]

[47 CFR Part 3]

[Docket No. 13409; FCC 60-153]

TABLE OF ASSIGNMENTS, TELEVISION BROADCAST STATIONS

Kalamazoo, Mich.

1. Notice is hereby given of proposed rule making in the above-entitled matter.

2. The Commission has before it for consideration a petition filed February 3, 1960, by Western Michigan University, Kalamazoo, Michigan, requesting rule making to amend § 3.606 of the Commission's rules (Table of Assignments, Television Broadcast Stations) so as to change the television channel reserved for noncommercial educational use at Kalamazoo from Channel 74 to Channel 46, as follows:

City	Channel No.	
	Present	Proposed
Kalamazoo, Mich.....	3-, 46, *74	3-, *46, 74

3. The University points out that Channels 46 and 74 are not now being utilized and that no applications are pending for either channel. It states that it has been actively preparing for the utilization of educational television for the past four and one-half years and that with the sources of funds and equipment which it now has, as well as other sources of funds currently being investigated, it plans to file an application for a construction permit for an educational television station as soon as a decision is made on its instant request. The University is of the view that the lower UHF channel would better serve its purposes for an educational station at this time.

4. The Commission is of the view that rule making should be instituted on this proposal in order that interested parties may submit their views and relevant data.

5. Authority for the adoption of the proposed amendment is contained in sections 4(i), 301, 303 (c), (d), (f), and (r) and 307(b) of the Communications Act of 1934, as amended.

6. Any interested party who is of the view that the proposed amendment should not be adopted, or should not be adopted in the form set forth herein, may file with the Commission on or before March 24, 1960, a written statement setting forth his comments. Comments supporting the proposed amendment may also be filed on or before the same date. Comments in reply to original comments may be filed within 10 days from the last day for reply to original comments. No additional comments may be filed unless (1) specifically requested by the Commission or (2) good cause for the filing of such additional comments is established.

7. In accordance with the provisions of § 1.54 of the rules, an original and 14 copies of all written comments shall be furnished to the Commission.

Adopted: February 17, 1960.

Released: February 19, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-1698; Filed, Feb. 24, 1960;
8:48 a.m.]

INTERSTATE COMMERCE COMMISSION

[49 CFR Part 179]

[No. 32339]

TRANSFERS OF RIGHTS TO OPERATE AS A MOTOR CARRIER IN INTER- STATE OR FOREIGN COMMERCE

Notice of Proposed Rule Making

After considerable experience over a lengthy period of time, the Commission has decided that revision, in part, of the Rules and Regulations Governing Transfers of Rights to Operate as a Motor Carrier in Interstate or Foreign Commerce, prescribed under section 212(b) of the Interstate Commerce Act, will more effectively promote the public interest and the national transportation policy as declared in said Act and aid in its administration.

Accordingly, pursuant to section 4(a) of the Administrative Procedure Act (60 Stat. 237, 5 U.S.C. 1003), notice is hereby given of the proposed revision of said transfer rules consisting of §§ 179.1 to 179.5, inclusive, 21 F.R. 5968 (August 9, 1956). The principal changes, in addition to revising the numbering, and some regrouping of rules, are (1) revising the definition of "Operating Right", (2) revising the definition of "Duplicating Rights", (3) revising the rule on "Filing", (4) revising the rule on "Division of Rights", (5) revision of rule on "Cessation of Operations", (6) addition of a rule on "Dual Operations", (7) revising the rule on "Operations by Fiduciaries", (8) revising the rule on "Transfers and Contracts to Operate for Limited Periods", (9) cancellation of present §§ 179.2(d)(3) and 179.6, and (10) revising the rule on "Orders of Court". References to the present rules are to those published in 21 F.R. 5968 (August 9, 1956).

Sec.

- 179.1 Definitions.
- 179.2 Applications.
- 179.3 General bases for approval.
- 179.4 Notice of approval; petitions for reconsideration or oral hearing.
- 179.5 General bases for disapproval.
- 179.6 Operations by fiduciaries.
- 179.7 Orders of Court.

AUTHORITY: §§ 179.1 to 179.7, issued under secs. 204, 211, and 212(b), 49 Stat. 546, 554 and 555, as amended; 49 U.S.C. 304, 311 and 312.

§ 179.1 Definitions.

As used herein, the following words and terms are construed to mean:

(a) *Transfer.* (Present § 179.1(a) as revised, reads:) All transactions not subject to sections 5¹ and 210a(b) of the

¹Sec. 5(10) provides as follows:

"Nothing in this section shall be construed to require the approval or authorization of the Commission in the case of a transaction within the scope of paragraph (2) where the only parties to the transaction are motor carriers subject to Part II (but not including a motor carrier controlled by or affiliated with a carrier as defined in section 1(3)), and where the aggregate number of motor vehicles owned, leased, controlled, or operated

Interstate Commerce Act, whether by purchase, lease, or otherwise, whereby an operating right as a motor carrier arising out of the Interstate Commerce Act is acquired by one person from another. No attempted transfer of any operating right shall be effective prior to approval thereof by the Interstate Commerce Commission as herein provided. The mere execution of a chattel mortgage, deed of trust, or other similar document, does not constitute a transfer within the meaning of these rules, and does not require the approval of the Commission, unless it embraces the conduct of the operation by a person other than the holder of the operating right. A foreclosure of a mortgage or deed of trust or other lien upon such operating right, an execution for the purpose of transferring such operating right in satisfaction of any judgment or claim against the holder thereof, or settlement of an estate involving an operating right, shall not be effective as a transfer without compliance with these rules and regulations. See §§ 179.6 and 179.7.

(b) *Operating right.* (Present § 179.1(b), as revised, reads:) The right to operate as a motor carrier in interstate or foreign commerce over a route or routes or within a specified territory, as authorized by a certificate of public convenience and necessity or a permit issued by this Commission under the provisions of the Interstate Commerce Act, or as authorized by those provisions of said act under which a motor carrier may continue operations pending consideration of its application to the Commission for a certificate or permit. This term does not include temporary authority granted under section 210a(a) of the said act, or the statutory authority to operate under the exemption from the certificate requirements of the act contained in the second proviso of section 206(a)(1).²

(c) *Duplicating rights.* (Present § 179.1(c), as revised, reads:) Operating rights which authorize the transportation of passengers, or of the same commodities, from and to, or between, the same points, except that regular-route authority to operate between the same points over different highways does not constitute duplicating rights.

(d) *Control.* (No change in present § 179.1(d). The same meaning as that contained in section 1(3)(b) of the Interstate Commerce Act (49 U.S.C. 1(3)(b)).)

by such parties, for purposes of transportation subject to Part II, does not exceed twenty.

"Nothing in this section shall be construed to require the approval or authorization of the Commission in the case of a transaction within the scope of paragraph (2) where the only parties to the transaction are street, suburban, or interurban electric railways none of which is controlled by or under common control with any carrier which is operated as part of a general steam railroad system of transportation."

²A transferee of a State certificate of public convenience and necessity, who wishes to engage in operations in interstate or foreign commerce under this exemption, is required to file a properly executed Form BMC 75 Statement (49 CFR 7.75).

(e) *Holder.* (No change in present § 179.1(e). The record holder of the operating rights, including a lessor.)

(f) *Person.* (No change in present § 179.1(f). Same as defined in section 203(a)(1) of the Interstate Commerce Act (49 U.S.C. 303(a)(1)).)

§ 179.2 Applications.

(a) *Form.* (No change in present § 179.2(a). Applications for approval of the transfer of operating rights shall be made in writing to the Commission and shall be in such form and contain such information as the Commission shall prescribe.)

(b) *Filing.* (Present § 179.2(b), as revised, reads:) An original application properly executed, and four copies thereof, shall be filed with the Commission at Washington, D.C., one copy thereof shall be delivered, in person or by mail, to the District Director in each district of the Bureau of Motor Carriers in which headquarters of the parties signing such application are located, and one copy thereof shall be delivered, in person or by mail, to the board, commission or official (or to the Governor where there is no board, commission or official) having authority to regulate the business of transportation by motor vehicle of each State in which are located the headquarters of applicants. Proof of delivery of copies of the application to the appropriate District Directors and State authorities shall be made a part of the original application filed with the Commission.

(c) *Transfers for limited periods.* (Present § 179.4(a), as renumbered and revised, reads:) Applicants who seek approval of a transfer of operating rights for a limited term, such as a lease, shall attach to their application a written agreement covering the specific period for which the transfer is sought, the rental stated in dollars, the time and method of payment, and a provision that all the operating rights involved shall revert to the transferor at the expiration of said term, or upon a discontinuance of operations thereunder by the transferee at any time prior to the expiration of said term. In case of reversion, the transferor shall give immediate notice thereof in writing, to the Commission.

§ 179.3 General bases for approval.

(Present § 179.2(c)(1), as renumbered and revised, reads:) Except as may be otherwise provided herein, the proposed transfer described in any such application shall be approved if it is shown that the proposed transaction is not subject to the provisions of section 5 of the Interstate Commerce Act; and that the proposed transferee is fit, willing, and able properly to perform the service authorized by the operating rights sought to be transferred, and to conform to the provisions of the Interstate Commerce Act and the requirements, rules, and regulations of the Commission thereunder. Otherwise, the application shall be denied.

§ 179.4 Notice of approval; petitions for reconsideration or oral hearing.

(Present § 179.2(f), as renumbered and revised, reads:) Prior to their effective

dates, synopses of affirmative orders entered pursuant to these rules currently will be published in the *FEDERAL REGISTER*. The notice accompanying such publication will refer to section 17(8) of the Interstate Commerce Act and include a requirement that if a petition is timely filed by an interested person seeking reconsideration or oral hearing, such petition must specify with particularity the alleged errors and shall cite in all cases, the particular rule or rules of the Rules and Regulations Governing Transfers of Rights to Operate as a Motor Carrier in Interstate or Foreign Commerce (this Part), and the arguments based thereon, which petitioner believes warrants a conclusion different from that set forth in the affirmative order. In the absence of citation of the particular rule relied upon, the petition may be rejected. If the petition contains a request for oral hearing, the request shall be supported by an explanation as to why the evidence sought to be presented cannot reasonably be submitted in affidavit form. In this connection, see also § 1.225 of the Special Rules of Practice of the Commission.

§ 179.5 General bases for disapproval.

(a) *Division of rights.* (Present § 179.2(e) is brought forward and, as renumbered and revised, reads:) An application for transfer of part of an operating right as to routes or commodities will be denied if it is found that the partition (1) would create duplicating rights as defined in § 179.1(c); (2) would divide the rights at a point other than along clearly defined geographical or political lines, or permit the minute and multiple division of operating rights so that numerous carriers might ultimately operate under rights initially granted as a unit, or would permit the division of radial, irregular-route operating rights, in such a way that the respective parts would be held by two or more carriers under common control; (3) permit the separation of a commodity or commodities from a class of substantially related commodities or from general-commodity authority; or (4) would separate an alternate route or routes, an intermediate point or points, or an off-route point or points, from the route or routes to which it or they are appurtenant. In construing clauses (2) and (3), the nature of divisions proposed in other applications for transfers of operating authority filed on behalf of the holder, and the action taken thereon, will be considered in passing upon the current application.

(b) *Cessation of operations.* (Present § 179.2(c)(2), as renumbered and revised, reads:) The mere cessation of operations by the holder of an operating right shall not be deemed to require denial of the proposed transfer of such right. If, however, a cessation of operations has occurred, which fact shall be stated in the application, and operations have not been conducted under the considered rights for a substantial period of time, the proposed transfer will be denied unless the holder shows that such discontinuance was caused by circum-

stances over which he had no control. The Commission may require, in an appropriate case, proof of the nature and extent of operations conducted under the operating right for a period of 6 months preceding the date of the request for such evidence.

(c) (Present § 179.2(d)(2), as renumbered, would be unchanged.) A proposed transfer of operating rights will not be approved if the Commission finds that the transferee does not intend to, or would not, engage in bona fide motor carrier operations under such operating rights, or if the Commission finds that the transferor acquired such operating rights for the purpose of profiting therefrom and has not engaged in bona fide motor carrier operations under such operating rights.

(Present § 179.2(d)(3), canceled.)

(d) (Present § 179.2(d)(4), as renumbered, would be unchanged.) The Commission will not approve a transfer of operating rights to a person who controls or who is controlled by, or who is under common control with another person who is the holder of operating rights which duplicate, in whole or in part, except to an immaterial extent, those proposed to be transferred.

(e) *Lease of duplicate operating rights.* (Present § 179.2(d)(5), as renumbered and revised, reads:) The Commission will not approve a transfer of operating rights for a limited period, whether by lease, or otherwise, to a person who is the holder of operating rights which duplicate, in whole or in part, except to an immaterial extent, those proposed to be transferred.

(f) *Leases.* (Present § 179.4(b), as renumbered and revised, reads:) Unless unusual circumstances are found by the Commission, an application for the transfer of operating rights for a limited period of time will not be approved for longer than one year, during which time the parties will be expected to consider and determine whether they want to enter into a transaction of sale and purchase of the rights. Nothing herein shall be construed as approving a sale and purchase of operating rights in advance of application therefor.

CONDITION: (Same, except for section references.) The rules set forth in subparagraphs (d) and (e) of § 179.5 may be suspended, in the discretion of the Commission, with respect to transfers which are proposed because of conditions resulting from a national emergency.

(g) *Dual operations.* (New provision.) The Commission will not approve a transfer of operating rights which would result in the transferee holding both a certificate and a permit, or in the holding by separate persons of a certificate and a permit, under common control, unless it finds, on the basis of evidence submitted with the application, or otherwise, that such holding would be consistent with the public interest and the national transportation policy within the meaning of section 210 of the Interstate Commerce Act.

§ 179.6 Operations by fiduciaries.

(Section 179.3, as renumbered and revised, reads:) (a) Unless or until other-

wise ordered by the Commission, administrators and executors of the estates of deceased holders of operating rights, guardians of incapacitated holders of operating rights, persons having custody of the business of dissolved partnerships the members of which held operating rights as partners, and trustees, receivers, conservators, assignees, or other persons authorized by law to collect and preserve property of financially disabled, bankrupt, or deceased holders of operating rights may continue the operations authorized by such operating rights without approval by the Commission of a transfer thereof, but shall, within 30 days after assuming control of such operations, give notice thereof by furnishing to the Secretary of the Commission, a certified copy of the court order appointing the fiduciary and a statement describing such operations and identifying the operating rights under authority of which they are conducted, stating the full name and address of the person or persons who are continuing the operations, and stating the date on which, and the circumstances under which, such person or persons assumed control of such operations. If there is no court order evidencing appointment of a fiduciary, the best evidence available showing the authority of the fiduciary must be submitted.

(b) (Present § 179.3(b), as renumbered and revised, reads:) Operations referred to in paragraph (a) of this section may be continued in the name or names of the record holder of the operating rights, followed also by the name or names of the person or persons conducting the operations and a designation of his or their capacity.* Compliance with this rule with respect to all tariffs, schedules, reports, or other documents filed in accordance with the Interstate Commerce Act or the rules and regulations prescribed thereunder, shall be sufficient compliance with any requirement, rule, or regulation that such tariffs, schedules, reports, or documents be filed in the name of the holder of the operating rights.

(Present § 179.4 is embraced in § 179.2(c) and § 179.5(f).)

(Present § 179.6. *Applications for substitution of parties*, which was not specifically canceled by the revision of Part 179 on June 23, 1952, published in 21 F.R. 5968 on August 9, 1956, is hereby canceled.)

§ 179.7 Orders of court.

(Present § 179.5, as renumbered and revised, reads:) If any proposed transfer presented to the Commission for approval shall also require the authority or approval of any court, applicants shall file with the Commission, at the time of filing their application, a certi-

* For example: John Jones, Richard Smith, administrator; John Jones, Richard Smith, executor; John Jones and Richard Smith, d/b/a Jones & Smith, R. Roe, trustee; John Jones, Richard Smith, guardian; John Jones, Richard Smith, trustee; John Jones, Richard Smith, receiver; John Jones, Richard Smith, conservator, and John Jones, Richard Smith, assignee.

fled copy of the order of the court authorizing the transfer of the operating rights involved, or, if the court has not acted as of that time, a copy of the order of the court shall be submitted prior to consummation of the transfer.

No oral hearing is contemplated on the proposed rules, but anyone wishing to make representations in favor of or against the proposals may do so through the submission of written data, views,

or arguments. The original and five copies of such submission shall be filed with the Commission on or before May 1, 1960.

Notice to the general public of the proposed rules shall be given by depositing a copy thereof in the office of the Secretary of the Commission for public inspection and by filing a copy with the Director, Office of the Federal Register. Publication of this notice of proposed

rule making is principally for the purpose of securing the views of interested persons and does not mean that the proposed revisions will be adopted necessarily in the form proposed.

By the Commission, Division 4.

[SEAL]

HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 60-1685; Filed, Feb. 24, 1960;
8:47 a.m.]

Notices

DEPARTMENT OF JUSTICE

Office of the Attorney General

[Order No. 190-60]

ASSIGNMENT OF FUNCTIONS

Labor-Management Reporting and Disclosure Act of 1959

By virtue of the authority vested in me by section 161 of the Revised Statutes (5 U.S.C. 22) and by section 2 of Reorganization Plan No. 2 of 1950 (64 Stat. 1261), it is ordered as follows:

1. Except as provided in paragraph 2 hereof, all criminal matters arising under the Labor-Management Reporting and Disclosure Act of 1959, approved September 14, 1959, are hereby assigned to the Criminal Division.

2. All criminal matters involving members and former members of the Communist Party referred to in section 504 of the Act are hereby assigned to the Internal Security Division.

3. All civil matters within the jurisdiction of the Department of Justice, except those required to be handled by the Board of Parole under section 504 of the Act, are hereby assigned to the Civil Division.

This order shall be effective immediately.

Dated: February 16, 1960.

WILLIAM P. ROGERS,
Attorney General.

[F.R. Doc. 60-1691; Filed, Feb. 24, 1960;
8:48 a.m.]

DEPARTMENT OF THE TREASURY

Customs Bureau

[T.D. 55054]

SORTED, GRADED, OR SORTED AND GRADED WOOL PRODUCED WITH THE USE OF IMPORTED WOOL

Drawback Rates and Authorizations

FEBRUARY 18, 1960.

Because of changes in industry practices with respect to the sorting and grading of wool, the Bureau, as stated in a notice in the FEDERAL REGISTER on September 30, 1959 (24 F.R. 7882), has considered the effect of such changes on drawback rates issued under section 313, Tariff Act of 1930, as amended, covering sorted, graded, or sorted and graded wool produced with the use of imported wool. After careful consideration of all relevant matter presented by interested persons, it has been concluded that only the following described process, known in the industry as "bench sorting," is sufficiently clear as a manufacture or production under section 313 to justify the allowance of drawback as sorted

and/or graded wool under any existing drawback rate:

Each fleece is removed, one at a time, from the bale in which contained, and is opened and shaken to rid it of loose dirt, sand, straw, and other foreign matter. The fleece is separated into various parts, such as, britch pieces, stained and taggy portions, painty pieces, burry pieces, and black and grey pieces, and the remainder is divided into the various recognized wool grades used in the United States.

Any firm desiring to obtain drawback on sorted and/or graded wool which is the result of any process other than that described above shall file an application with the Bureau of Customs, Washington, D.C., for a decision whether such other process constitutes a manufacture or production within the meaning of section 313 of the Tariff Act of 1930, as amended.

The Bureau has consistently held that "trapping" or "trap sorting" of wool does not constitute a manufacture or production under section 313.

[SEAL]

D. B. STRUBINGER,
Acting Commissioner of Customs.

[F.R. Doc. 60-1705; Filed, Feb. 24, 1960;
8:49 a.m.]

Office of the Secretary

[Dept. Circ. 570, 1959 Rev., Supp. 15]

COSMOPOLITAN MUTUAL INSURANCE CO.

Surety Company Acceptable on Federal Bonds

FEBRUARY 18, 1960.

A Certificate of Authority has been issued by the Secretary of the Treasury to the following company under the Act of Congress approved July 30, 1947, 6 U.S.C., sec. 6-13, as an acceptable surety on Federal Bonds.

An underwriting limitation of \$633,000.00 has been established for the company. Further details as to the extent and localities with respect to which the company is acceptable as surety on Federal Bonds will appear in the next revision of Treasury Department Circular No. 570, copies of which, when issued, may be obtained from the Treasury Department, Bureau of Accounts, Surety Bonds Branch, Washington 25, D.C.

State in Which Incorporated, Name of Company, and Location of Principal Executive Office

New York; Cosmopolitan Mutual Insurance Co.; New York, N.Y.

[SEAL]

JULIAN B. BAIRD,
Acting Secretary of the Treasury.

[F.R. Doc. 60-1706; Filed, Feb. 24, 1960;
8:49 a.m.]

[Dept. Circ. 570, 1959 Rev., Supp. No. 14]

NORTHERN INSURANCE COMPANY OF NEW YORK

Surety Company Acceptable on Federal Bonds

FEBRUARY 18, 1960.

A Certificate of Authority has been issued by the Secretary of the Treasury to the following company under the Act of Congress approved July 30, 1947, 6 U.S.C., secs. 6-13, as an acceptable surety on Federal bonds.

An underwriting limitation of \$2,796,000 has been established for the company. Further details as to the extent and localities with respect to which the company is acceptable as surety on Federal bonds will appear in the next revision of Department Circular 570, to be issued as of May 1, 1960. Copies of the circular, when issued, may be obtained from the Treasury Department, Bureau of Accounts, Surety Bonds Branch, Washington 25, D.C.

State in Which Incorporated, Name of Company, and Location of Principal Executive Office

New York; Northern Insurance Company of New York; New York, N.Y.

[SEAL]

JULIAN B. BAIRD,
Acting Secretary of the Treasury.

[F.R. Doc. 60-1707; Filed, Feb. 24, 1960;
8:50 a.m.]

DEPARTMENT OF THE INTERIOR

Office of the Secretary

GEORGE WASHINGTON MEMORIAL PARKWAY

Permits and Fees

The A. B. & W. Transit Company and the Washington, Virginia and Maryland Coach Company, Inc., have severally filed petitions requesting a modification of the regulations providing for permits and fees in connection with the operation of passenger busses on the George Washington Memorial Parkway. The regulations are found in paragraph (b), § 3.36, Title 36 of the Code of Federal Regulations and appear on page 11019 of volume 24 of the FEDERAL REGISTER. The A. B. & W. Transit Company asks that the regulations be so amended as not to require permits or fees in connection with the operation of regularly scheduled motor busses over the George Washington Memorial Parkway. The Washington, Virginia and Maryland Coach Company, Inc., asks that the regulations be so amended as to permit operation of busses on specified areas of the parkway and to revoke certain provisions respecting fees. Copies of the petitions are available for inspection in the Docket and Records Section, Solicitor's Office,

Department of the Interior, Room 6042, Interior Building.

Each petitioner has requested a hearing at which it may present its objections to the present regulations. A hearing for this purpose will be held on February 29, 1960, at 10 a.m., in Room 5161, Interior Building. Any person or organization interested in this matter may appear or submit written views or arguments. Such documents may be filed before the hearing with the Docket and Records Section, Solicitor's Office, Room 6042, Interior Building. Persons or organizations planning to make an oral presentation are requested to file a written summary before February 29, 1960, the day set for the hearing.

ELMER F. BENNETT,

Acting Secretary of the Interior.

FEBRUARY 23, 1960.

[F.R. Doc. 60-1747; Filed, Feb. 24, 1960; 8:51 a.m.]

DEPARTMENT OF COMMERCE

Office of the Secretary

JAMES B. COOK, JR.

Appointment and Statement of Financial Interests

Report of appointment and statement of financial interests required by section 710(b)(6) of the Defense Production Act of 1950, as amended.

Report of Appointment

1. Name of appointee: James B. Cook, Jr.
2. Employing agency: Department of Commerce, Business and Defense Services Administration.
3. Date of appointment: February 8, 1960.
4. Title of position: Consultant-Technical Assistant to the Director.
5. Name of private employer: Hays Manufacturing Company, Erie, Pennsylvania.

JOHN F. LUKENS,
Acting Director of Personnel.

JANUARY 21, 1960.

Statement of Financial Interests

6. Names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or director, or in which the appointee owns or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

Hays Manufacturing Company.
Bank deposits.

Dated: February 16, 1960.

JAMES B. COOK, JR.

[F.R. Doc. 60-1690; Filed, Feb. 24, 1960; 8:48 a.m.]

DEPARTMENT OF AGRICULTURE

Office of the Secretary

FARM TENANT-MORTGAGE INSURANCE FUND

Farmers Home Administration; Assignment of Functions

Pursuant to the authority contained in R.S. 161 (5 U.S.C. 22) and Reorganization Plan No. 2 of 1953, paragraph 1 in section 1400 of the Acting Secretary's Order dated October 10, 1957 (22 F.R. 8188), as amended (23 F.R. 1836, 24 F.R. 5165), hereby is further amended to increase the authority assigned to the Farmers Home Administration to issue notes to the Secretary of the Treasury in order to obtain cash for the farm tenant-mortgage insurance fund, and to read as follows:

SECTION 1400. Assignment of functions.

1. Authority to issue notes to the Secretary of the Treasury, authorized by sections 12(j), 13(b), and 18(a) of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1005b(j), 1005c(b), 1006e(a)), and section 10(d) of the Act of August 28, 1937, as amended (16 U.S.C. 590x-3(d)), provided that the aggregate unpaid principal balance on notes issued and outstanding under this authorization shall not exceed \$50,000,000.

Done at Washington, D.C., this 19th day of February 1960.

E. T. BENSON,
Secretary.

[F.R. Doc. 60-1712; Filed, Feb. 24, 1960; 8:50 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-160]

GEORGIA INSTITUTE OF TECHNOLOGY

Notice of Application for Construction Permit and Utilization Facility License

Please take notice that Georgia Institute of Technology under section 104a and 104c of the Atomic Energy Act of 1954, as amended, has submitted an application for a license authorizing construction and operation of a one megawatt heavy water moderated tank-type nuclear reactor on the Institute's campus in Atlanta, Georgia. The reactor will be used for the conduct of research and development and in medical therapy. A copy of the application is available for public inspection in the AEC's Public Document Room, 1717 H Street NW., Washington, D.C.

Dated at Germantown, Md., this 18th day of February 1960.

For the Atomic Energy Commission.

R. L. KIRK,
Deputy Director, Division of Licensing and Regulation.

[F.R. Doc. 60-1669; Filed, Feb. 24, 1960; 8:45 a.m.]

CIVIL AERONAUTICS BOARD

[Docket 10162]

ALLEGHENY TEMPORARY POINTS CASE

Notice of Prehearing Conference

Notice is hereby given that a prehearing conference in the above-entitled proceeding is assigned to be held on March 8, 1960, at 10:00 a.m., e.s.t., in Room 725, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Chief Examiner Francis W. Brown.

Dated at Washington, D.C., February 17, 1960.

[SEAL]

FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 60-1708; Filed, Feb. 24, 1960; 8:50 a.m.]

[Docket 8106]

GREENSBORO-HIGH POINT COMPLAINT AND CAPITAL AIRLINES, INC.

Notice of Postponement of Prehearing Conference

Notice is hereby given that the prehearing conference in the above-entitled proceeding heretofore scheduled for February 26, 1960, is postponed and assigned to be held on March 4, 1960, at 10:00 a.m., e.s.t., in Room 1027, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Ferdinand D. Moran.

Dated at Washington, D.C., February 18, 1960.

[SEAL]

FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 60-1709; Filed, Feb. 24, 1960; 8:50 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 13083]

MICROWAVE FREQUENCIES FOR PRIVATE COMMUNICATION SYSTEMS

Order Extending Time for Filing Reply Comments

In the matter of technical standards governing the grant of applications for the use of microwave frequencies for private communications systems, excluding broadcasters, Docket No. 13083.

There being under consideration the petitions of the Associated Police Communications Officers, Inc. (APCO), filed February 4, 1960, the National Committee for Utilities Radio (NCUR) and the Central Committee on Communications Facilities of the American Petroleum Institute (API), both filed February 10, 1960, requesting extension of time within which to file replies to the comments of the Electronics Industries Association

(EIA) filed in the captioned matter on January 19, 1960;

It appearing that, by Order released January 27, 1960, the Commission accepted the late filing of the above-mentioned EIA comments and directed that replies thereto may be filed within twenty (20) days from that date;

It further appearing that APCO states that an additional 30 days is required to study the EIA comments and to coordinate the APCO comments with its various chapters and committees prior to filing its reply with the Commission;

It further appearing that NCUR and API state that meetings of various microwave users associations, including a meeting between EIA and microwave user representatives, in which NCUR and API will participate, have been scheduled to be held on or about March 18, 1960, in Washington, D.C., to discuss, among other things, the comments filed by EIA;

It further appearing that NCUR and API aver that such meetings will enable them to understand the proposals advanced by the EIA comments and will enable them properly to evaluate their positions and file more responsive replies thereto, and that an extension of time to March 31 and April 1, 1960, respectively, is required;

It further appearing that good cause has been shown for an extension of time and that the public interest will be served by extending the time within which such reply comments may be filed;

It is ordered, This 12th day of February 1960, pursuant to the provisions of section 0.291(b)(4) of the Commission's Statement of Delegations of Authority, that the last day on which to file reply comments to the EIA comments shall be April 1, 1960.

Released: February 12, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-1699; Filed, Feb. 24, 1960;
8:49 a.m.]

[Docket No. 13410; FCC 60-158]

IDAHO MICROWAVE, INC.

Order Designating Applications for Hearing on Stated Issues

In re applications of Idaho Microwave, Inc., for construction permit for new fixed radio station at Kimport Peak, Idaho (KPL24), Docket No. 13410, File No. 2672-C1-P-58; for construction permit for new fixed radio station at Rock Creek, Idaho (KPL25), File No. 2673-C1-P-58; for construction permit for new fixed radio station at Jerome, Idaho (KPL26), File No. 2674-C1-P-58.

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 17th day of February 1960;

The Commission having under consideration a Protest and Petition for Reconsideration timely filed on January 28, 1960, by the KLIX Corporation, licensee of television station KLIX-TV, Twin Falls, Idaho (hereinafter referred to as

KLIX), protesting the grant without hearing, on December 22, 1959, of the above-indicated applications of Idaho Microwave, Inc. (hereinafter referred to as Idaho); the opposition to such Protest timely filed by Idaho on February 8, 1960; and a reply to Idaho's opposition timely filed by KLIX on February 15, 1960; and

It appearing that KLIX is a party in interest with standing to protest and petition for reconsideration herein, and that said Protest is legally sufficient; and

It further appearing that the basic questions and issues raised in this Protest are essentially similar to those pending before us in re Applications of Montana-Idaho Microwave, Inc. (Docket Nos. 13266 thru 13270), and in re Applications of Antennavision Service Co., Inc. (Docket No. 13385), and that our preliminary disposition of this case should parallel our preliminary disposition of the cited cases; and

It further appearing that it is desirable and appropriate, in designating this matter for hearing, that we redraft for clarification issues (3) and (4) originally proposed by KLIX; and that we do not adopt as our own any of the issues proposed by KLIX; and

It further appearing that the instant grants are not necessary to the continuance of an existing service; and that we are unable to conclude that the public interest requires that the contested grants remain in effect (cf. In re Montana Microwave, 18 R.R. 819); and

It further appearing that the disposition herein of the Protest renders moot the request for reconsideration;

It is ordered, That the Protest is granted to the extent herein provided, and denied in all other respects; and the request for reconsideration is denied; and that, pursuant to the provisions of section 309(c) of the Communications Act of 1934, as amended, a hearing be held herein, at the offices of the Commission in Washington, D.C., at a time and place to be hereafter announced, on the following issues:

(1) To determine whether it would be in the public interest to defer final disposition of the applications until a court of competent jurisdiction has determined whether the applicant proposes to furnish programs to the cable operator in Twin Falls for dissemination in violation of the program rights of KLIX-TV.

(2) To determine (a) the nature and extent of any adverse effect which the grant of the applications herein will have upon the operation of station KLIX-TV at Twin Falls, Idaho; (b) the effect which the grant of the applications will have upon the development of local television broadcasting in the area afforded access to the instant microwave relay service; and (c) the nature and extent of television service which will be available in the KLIX-TV coverage area if KLIX-TV discontinues operation.

(3) To determine whether the conclusions set forth in Paragraphs 45 through 51 and 58 through 79 of the Report and Order in Docket No. 12443, as applied in this case, are in error.

(4) To determine whether, in view of all the findings and conclusions set forth

in our Report and Order in Docket No. 12443, the basic television allocation plan embodied in § 3.606 of the Commission's rules has any further relevance to this case and, if that determination is in the affirmative, to determine further whether a grant of the applications herein would effectuate or impede such television allocation plan.

(5) To determine whether Idaho Microwave, Inc. is not eligible, as a communication common carrier under the Communications Act, to receive authorizations pursuant to Part 21 of the Commission's rules to provide the proposed service.

(6) To determine whether, in light of the determinations made upon the foregoing issues, the grant of the applications would be consistent with law, and would serve the public interest, convenience or necessity.

It is further ordered, That KLIX shall have the burden of proof on issues (1), (2), (3), (4) and (5); and Idaho shall have the burden of proof on issue (6); and

It is further ordered, That the grants of the foregoing applications, effected December 22, 1959, are hereby stayed pending the Commission's final decision in this matter after hearing; and

It is further ordered, That KLIX Corporation, Idaho Microwave, Inc., the Chief, Common Carrier Bureau, and the Chief, Broadcast Bureau, are hereby made parties to this proceeding; and that each party intending to participate in the hearing shall file a notice of appearance not later than March 7, 1960.

Released: February 19, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-1700; Filed, Feb. 24, 1960;
8:49 a.m.]

[Docket No. 12176 etc.; FCC 60-139]

KTAG ASSOCIATES (KTAG-TV) ET AL.

Memorandum Opinion and Order Amending Issues

In re applications of Charles W. Lamar, Jr., J. Warren Berwick, Harold Knox & R. B. McCall, Jr., d/b as KTAG Associates (KTAG-TV), Lake Charles, Louisiana, Docket No. 12176, File No. BMPCT-4682; for modification of construction permit; Evangeline Broadcasting Company, Inc., Lafayette, Louisiana, Docket No. 12177, File No. BPCT-2335; Acadian Television Corporation, Lafayette, Louisiana, Docket No. 12178, File No. BPCT-2351; for construction permits for new television broadcast stations; Camellia Broadcasting Company, Inc. (KLFY-TV), Lafayette, Louisiana, Docket No. 12436, File No. BMPCT-4711; for modification of construction permit.

1. The Commission has for consideration (1) a petition filed on July 31, 1959, by Camellia Broadcasting Company to withdraw its application from this hearing, to amend its application, and to return the amended application to the processing line; (2) a letter from Camellia received on August 7, 1959 seeking

waiver of the Commission's Rules relating to minimum mileage separation with respect to its amended application; and (3) pleadings properly filed in response to the Camellia filings.

2. On September 30, 1957, the Commission designated for hearing the mutually exclusive applications of Evangeline Broadcasting Company, Inc. and Acadian Television Corporation, each seeking construction permits for new stations on Channel 3, Lafayette, Louisiana, and KTAG Associates, seeking to modify its existing construction permit on Channel 25 in Lake Charles, Louisiana to specify operation on Channel 3 in that community. On May 19, 1958, after ascertaining that the antenna site proposed by Evangeline/Acadian would not be acceptable to the Washington Airspace Panel of the Air Coordinating Committee if the also pending application of Camellia Broadcasting Company, Inc., operating on Channel 10, Lafayette, Louisiana, to modify its construction permit should be granted and the proposed Camellia tower be constructed, the Commission released an Order consolidating the Camellia application into the present hearing and enlarged the issues to determine the facts of the conflict between Camellia and Evangeline/Acadian and to determine whether the public interest would be best served by a grant of the Camellia or one of the Evangeline/Acadian proposals.

3. By letter of May 25, 1959, Camellia notified the parties and the Examiner that it would not participate in the hearing; that it was looking for another antenna site; and that an appropriate petition for removal of its application from hearing would be filed as soon as possible. Subsequently, in the course of the hearing, counsel for Camellia stated " . . . we will not participate in this hearing and not prosecute the application that is on file here in its present form in this docket, but when we find out whether we have a new site, we will then file a petition to amend. If we cannot get a new site, we will have to file a petition for leave to dismiss. But it will be one or the other, and we will not prosecute this application" (tr. 270). This intention was again expressed in Camellia's letter of August 7, 1959, seeking waiver of minimum mileage separations, wherein it was stated that Camellia has decided to "risk everything on securing a new site rather than prosecuting its application in the Channel 3 hearing."

4. Thus it is clear that, totally aside from the Commission's ultimate disposition of the petition to amend, Camellia has no intention of prosecuting its application in its present form, and there is no reason for its continuing to hold the status of party in this proceeding. Accordingly, Camellia's application will be severed from this proceeding, and those issues stemming from its status as party will be rendered moot.

5. With respect to Camellia's request to amend its application and return to the processing line, the Commission is of the view that further time is needed for consideration, and disposition of this

portion of the pleadings will be postponed pending further Commission order.

Accordingly: *It is ordered*, That the petition of Camellia Broadcasting Company filed on July 31, 1959, is granted insofar as it requests leave to withdraw its application from the instant hearing, and the application of Camellia Broadcasting Company is severed from this proceeding, and, with respect to all other relief prayed in the said petition, the decision of the Commission is reserved pending further order.

It is further ordered, That issues numbered 1, 2 and 3 in the Commission's Order released May 19, 1958, are deleted, and the following issue numbered 1 is substituted therefor:

1. To determine whether the antenna system and site proposed by each of the applicants would constitute a hazard to air navigation.

It is further ordered, That issues numbered 4, 5 and 6 in the Commission's Order released May 19, 1959, are renumbered 2, 3 and 4, respectively.

Adopted: February 17, 1960.

Released: February 19, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,¹

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-1701; Filed, Feb. 24, 1960;
8:49 a.m.]

[Docket No. 13395; FCC 60M-324]

MICRORELAY OF NEW MEXICO, INC.

Notice of Prehearing Conference

In re applications of Microrelay of New Mexico, Inc., Roswell, New Mexico, Docket No. 13395; for construction permit for new fixed video radio station near Corona, New Mexico, File No. 664-C1-P-60, Station KLN76; for construction permit for new fixed video radio station at Boy Scout Mountain, New Mexico, File No. 665-C1-P-60, Station KLN77.

There will be a prehearing conference, under § 1.111, on Friday, February 26, 1960, at 10 a.m., in the offices of the Commission, Washington, D.C.

Dated: February 17, 1960.

Released: February 18, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-1702; Filed, Feb. 24, 1960;
8:49 a.m.]

[Docket Nos. 13392, 13393; FCC 60M-320]

MODERN BROADCASTING COMPANY OF BATON ROUGE, INC., ET AL.

Order Scheduling Hearing

In re applications of Modern Broadcasting Company of Baton Rouge, Inc., Baton Rouge, Louisiana, Docket No.

¹ Dissenting Statement of Commissioner Frederick W. Ford filed as a part of original document.

13392, File No. BPCT-2648; Community Broadcasting Company, Inc., Baton Rouge, Louisiana, Docket No. 13393, File No. BPCT-2671; for construction permits for new television broadcast stations (Channel 9).

It is ordered, This 17th day of February 1960, that Walther W. Guenther will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on April 21, 1960, in Washington, D.C.

Released: February 18, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-1703; Filed, Feb. 24, 1960;
8:49 a.m.]

[Docket Nos. 13289, 13290; FCC 60M-325]

WALMAC CO.

Order Continuing Hearing

In re applications of Howard W. Davis, tr/as the Walmac Company, San Antonio, Texas, Docket No. 13289, File No. BR-411; Docket No. 13290, File No. BRH-691; for renewal of licenses of stations KMAC (AM) and KISS (FM).

The Hearing Examiner having under consideration the joint verbal request of counsel for the parties for a continuance of the prehearing conference heretofore scheduled for February 24, 1960;

It appearing that good cause for favorable action on said request is shown in that, because of other commitments, counsel for the Commission's Broadcast Bureau has been prevented from submitting to counsel for the applicant documentary material to be considered by the parties in an attempt to resolve differences as to the method in which the hearing should proceed with regard to Issue 2; and

It further appearing that upon submission of said material, the parties will make every effort to arrive, as a result of their contemplated negotiations, at certain stipulations and/or agreements to be presented for consideration at the prehearing conference; and

It further appearing that a grant of the subject request will be conducive to the orderly progress of the hearing;

It is ordered, This 18th day of February 1960, that the subject request is granted and that the prehearing conference heretofore scheduled for February 24, 1960, is continued to 10:00 a.m. Monday, March 7, 1960, at the offices of the Commission in Washington, D.C.;

It is further ordered, On the Examiner's own motion that the hearing in the above-entitled proceeding presently scheduled to commence on March 7, 1960, in Washington, D.C. is hereby continued to a date to be fixed by subsequent order.

Released: February 18, 1960.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 60-1704; Filed, Feb. 24, 1960;
8:49 a.m.]

FEDERAL POWER COMMISSION

[Project No. 2269]

CALAVERAS COUNTY WATER DISTRICT

Notice of Land Withdrawal; Correction

FEBRUARY 18, 1960.

In the matter of North Fork Stanislaus River, Hydroelectric Development, Calaveras County Water District; Project No. 226.

By withdrawal notice of October 21, 1959, published in the FEDERAL REGISTER, Tuesday, October 27, 1959 (24 F.R. 8685), this Commission gave notice of the reservation of approximately 7,792.31 acres of United States lands pursuant to the Calaveras County Water District's application for preliminary permit filed on August 5, 1959, for Project No. 2269.

A re-examination of the project record discloses that the NW $\frac{1}{4}$ NW $\frac{1}{4}$, section 10, T. 4 N., R. 15 E., and N $\frac{1}{2}$ NE $\frac{1}{4}$, section 15, T. 6 N., R. 16 E., M.D.M. California, lie within the project area and should have been described in the withdrawal notice.

Therefore, pursuant to section 24 of the Act of June 10, 1920, the above-described lands are from the date of filing, August 5, 1959, reserved from entry, location, or other disposal under the laws of the United States until otherwise directed by the Commission or by Congress.

The notice is hereby further corrected to delete therefrom the NE $\frac{1}{4}$ NE $\frac{1}{4}$, section 12, T. 6 N., R. 16 E. and SE $\frac{1}{4}$ SE $\frac{1}{4}$, section 3, T. 6 N., R. 18 E., M.D.M., California, erroneously listed therein.

The above-noted additions and eliminations result in the withdrawal of an additional 40 acres, making a total of approximately 7,832.31 acres of United States land withdrawn for this project.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60-1674; Filed, Feb. 24, 1960;
8:46 a.m.]

[Project No. 2271]

CALIFORNIA

Notice of Land Withdrawal

FEBRUARY 18, 1960.

In the matter of Spicer Power Project, Tuolumne County Water District No. 2; Project No. 2271.

Conformable to the provisions of section 24 of the Act of June 10, 1920, as amended, notice is hereby given that the lands hereinafter described, together with other lands of the United States shown as part of this project on map Exhibit H (FPC No. 2271-3), are insofar as title thereto remains in the United States included in Project No. 2271 (Spicer Power Project) for which completed application for preliminary permit was filed January 8, 1960, by the Tuolumne County Water District No. 2, Rose Court, Sonoma, California. Under said section 24 these lands are, from said date of filing, reserved from entry, location, or other disposal under the

laws of the United States until otherwise directed by the Commission or by Congress.

The area reserved by the filing of application for this project is approximately 4,720 acres, wholly within the Stanislaus National Forest, of which approximately 3,600 acres have been heretofore reserved in Power Site Classification No. 220 or Project Nos. 95, 2018, 2019, and 2269. The remaining lands included in the application for Project No. 2271 (approximately 1,400 acres) are described below:

MOUNT DIABLO MERIDIAN, CALIFORNIA

T. 6 N., R. 18 E.
Sec. 10, NW $\frac{1}{4}$ NE $\frac{1}{4}$ (unsurveyed), N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ (surveyed);
Sec. 15, W $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ (surveyed);
Sec. 22, NE $\frac{1}{4}$ NE $\frac{1}{4}$ (surveyed);
Sec. 23, W $\frac{1}{2}$ W $\frac{1}{2}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ (surveyed);
Sec. 26, SW $\frac{1}{4}$ NE $\frac{1}{4}$ (unsurveyed), E $\frac{1}{2}$ NW $\frac{1}{4}$ (surveyed), W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$ (unsurveyed);
Sec. 35, E $\frac{1}{2}$ NE $\frac{1}{4}$ (unsurveyed).
T. 7 N., R. 18 E.,
Sec. 27, S $\frac{1}{2}$ SW $\frac{1}{4}$ (unsurveyed);
Sec. 33, E $\frac{1}{2}$ SE $\frac{1}{4}$ (unsurveyed);
Sec. 34, E $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ (unsurveyed).
T. 7 N., R. 19 E.,
Sec. 29, N $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$ (surveyed);
Sec. 30, SE $\frac{1}{4}$ SE $\frac{1}{4}$ (unsurveyed).

Copies of the project map Exhibit I (FPC No. 2271-3) have been transmitted to the Bureau of Land Management, Geological Survey, and Forest Service.

J. H. GUTRIDE,
Secretary.

[F.R. Doc. 60-1675; Filed, Feb. 24, 1960;
8:46 a.m.]

[Docket No. G-19649 etc.]

SOCONY MOBIL OIL CO., INC., ET AL.

Order Amending Orders To Reflect Revised Rate Schedule Designations

FEBRUARY 17, 1960.

Socony Mobil Oil Company, Inc., Docket No. G-19649, G-19650, G-19891 and G-20079; Socony Mobil Oil Company, Inc., et al., Docket No. G-19892.

On September 21, 1959, Socony Mobil Oil Company, Inc. and Socony Mobil Oil Company, Inc. (Operator), et al. (both hereinafter called Socony) tendered a Notice of Succession, by merger to all the interests of Magnolia Petroleum Company (Magnolia) including the interests represented by Magnolia's FPC Gas Rate Schedules Nos. 57, 81, 83, 84, 87, 120, 123, 124, 141, and 178. The aforesaid Notice of Succession was accepted by letter dated October 30, 1959, pursuant to § 157.28 of the Commission's regulations. In said letter the Commission informed Socony that the aforementioned Magnolia rate schedules had been redesignated as Socony's FPC Gas Rate Schedules Nos. 56, 78, 80, 81, 84, 114, 117, 118, 135, and 168, respectively.

By orders issued October 13 and 23, 1959, and November 10, 1959, the Commission, inter alia, suspended proposed changes to the aforementioned Socony rate schedules. Among the proposed changes suspended were: In Docket No.

G-19649, Supplement No. 4 to Socony's FPC Gas Rate Schedule No. 135; in Docket No. G-19650, Supplements Nos. 6 and 7 to Socony's FPC Gas Rate Schedules Nos. 117 and 118, respectively; in Docket No. G-19891, Supplements Nos. 7, 6 and 2 to Socony's FPC Gas Rate Schedules Nos. 78, 81, and 84, respectively; in Docket No. G-19892, Supplements Nos. 11, 6 and 1 to Socony's FPC Gas Rate Schedules Nos. 56, 80 and 168, respectively; and in Docket No. G-20079, Supplement No. 4 to Socony's FPC Gas Rate Schedule No. 114.

On November 5, 1959, Socony requested that, for convenience and simplification, the numbers assigned to its redesignated rate schedules be made to correspond to those formerly assigned to the rate schedules of Magnolia. Socony's request was granted by letter dated November 20, 1959.

The Commission finds: It is appropriate in carrying out the provisions of the Natural Gas Act that the aforementioned orders issued October 13 and 23, 1959, and November 10, 1959, which suspended and deferred the use of certain changes in rates as hereinbefore stated, be amended as hereinafter ordered so as to reflect the revised rate schedule designations set out in the letter dated November 20, 1959.

The Commission orders:

(A) The aforementioned order issued October 13, 1959, in Dockets Nos. G-19649 and G-19650, is hereby amended, with respect to Docket No. G-19649, so as to change the rate schedule designation therein from Socony's FPC Gas Rate Schedule No. 135 to Socony's FPC Gas Rate Schedule No. 141; and, with respect to Docket No. G-19650, so as to change the rate schedule designations therein from Socony's FPC Gas Rate Schedules Nos. 117, and 118 to Socony's FPC Gas Rate Schedules Nos. 123 and 124, respectively.

(B) The aforementioned order issued October 23, 1959, in Dockets Nos. G-19891 and G-19892, is hereby amended, with respect to Docket No. G-19891, so as to change the rate schedule designations therein from Socony's FPC Gas Rate Schedules Nos. 78, 81, and 84 to Socony's FPC Gas Rate Schedules Nos. 81, 84, and 87, respectively; and, with respect to Docket No. G-19892, so as to change the rate schedule designations therein from Socony's FPC Gas Rate Schedules Nos. 56, 80, and 168 to Socony's FPC Gas Rate Schedules Nos. 57, 83 and 178, respectively.

(C) The aforementioned order issued November 10, 1959, in Docket No. G-20079, is hereby amended so as to change the rate schedule designation therein from Socony's FPC Gas Rate Schedule No. 114 to Socony's FPC Gas Rate Schedule No. 120.

(D) In all other respects, said orders issued October 13 and 23, 1959, and November 10, 1959, shall remain unchanged and shall continue in full force and effect.

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60-1676; Filed, Feb. 24, 1960;
8:46 a.m.]

[Docket Nos. RI 60-69—RI 60-72]

J. M. HUBER CORP. ET AL.**Errata Notice**

FEBRUARY 10, 1960.

In the matter of J. M. Huber Corporation, Docket No. RI60-69; Tidewater Oil Company (Operator), Docket No. RI60-70; Tidewater Oil Company, Docket No. RI60-71; Getty Oil Company, Docket No. RI60-72.

In the Order Providing for Hearings on and Suspension of Proposed Changes in Rate Schedules, issued January 27, 1960 and published in the FEDERAL REGISTER February 3, 1960 (25 F.R.; p. 920): In the Column entitled "Date Suspended Until" on the line opposite "RI60-69 J. M. Huber Corporation" the date "7/31/60" should be changed to "6/30/60"; on each of the lines opposite "RI60-70 Tidewater Oil Company (Operator), et al." through "RI60-72 Getty Oil Company" change "7/29/60" to "6/29/60".

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 60-1677; Filed, Feb. 24, 1960;
8:46 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-3859]

GENERAL PUBLIC UTILITIES CORP.

Notice of Proposed Cash Capital Contributions by Holding Company to Its Public-Utility Subsidiary

FEBRUARY 17, 1960.

Notice is hereby given that General Public Utilities Corporation ("GPU"), a registered holding company, has filed with this Commission a declaration, pursuant to the provisions of the Public Utility Holding Company Act of 1935 ("Act") and has designated section 12 (b) thereof and Rule 45 thereunder as applicable to the proposed transactions. All interested persons are referred to said declaration on file in the Headquarters Office of the Commission for a statement of the proposed transactions which are summarized as follows:

GPU proposes to make cash capital contributions to its public-utility subsidiary, New Jersey Power & Light Company ("New Jersey"), from time to time during 1960, in an aggregate amount not to exceed \$4,300,000. GPU owns all of the common stock of New Jersey. Each cash contribution will initially be credited by New Jersey to its capital surplus account and promptly thereafter transferred to increase the stated value applicable to its outstanding 103,000 shares of common stock without par value, which at October 31, 1959 were carried at \$17,425,000. New Jersey will utilize the proceeds of such cash capital contributions to prepay its outstanding unsecured notes, and to partially reimburse its treasury for expenditures made therefrom for construction purposes.

The declaration states that no State or Federal commission, other than this Commission, has jurisdiction over the proposed transactions and that the expenses in connection with the proposed transactions will be approximately \$500.

Notice is further given that any interested person may, not later than March 3, 1960, request in writing that a hearing be held on the matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law, if any, raised by said declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date the declaration, as filed or as it may be amended, may be permitted to become effective as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from its rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate.

By the Commission.

[SEAL]

ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 60-1681; Filed, Feb. 24, 1960;
8:46 a.m.]

[File No. 24C-1919]

OKAW LAND DEVELOPMENT CO.

Order Temporarily Suspending Exemption, Statement of Reasons Therefor, and Notice of Opportunity for Hearing

FEBRUARY 18, 1960.

I. Okaw Land Development Co. (issuer), an Illinois corporation, Vandalia, Illinois, filed with the Commission on January 29, 1957, a notification on Form 1-A and an offering circular, and subsequently filed amendments thereto relating to an offering of 3,000 shares of its \$100 par value common stock at \$100 per share in the aggregate amount of \$300,000 for the purpose of obtaining an exemption from the registration requirements of the Securities Act of 1933, as amended, pursuant to the provisions of Section 3(b) thereof and Regulation A promulgated thereunder.

II. The Commission has reasonable cause to believe that the terms and conditions of Regulation A have not been complied with in that the issuer has failed to file reports on Form 2-A as required by Rule 260 of Regulation A and has failed to file a revised offering circular in accordance with Rule 256(e) of Regulation A, despite repeated requests of the Commission's staff for such filing.

III. It is ordered, Pursuant to Rule 261 (a) of the General Rules and Regulations under the Securities Act of 1933, as amended, that the exemption under Regulation A be, and it hereby is, temporarily suspended.

Notice is hereby given that any person having any interest in the matter may file with the Secretary of the Commis-

sion a written request for hearing within thirty days after the entry of this order; that within twenty days after receipt of such request the Commission will, or at any time upon its own motion may, set the matter down for hearing at a place to be designated by the Commission for the purpose of determining whether this order of suspension should be vacated or made permanent, without prejudice, however, to the consideration and presentation of additional matters at the hearing; that if no hearing is requested and none is ordered by the Commission, this order shall become permanent on the thirtieth day after its entry and shall remain in effect unless or until it is modified or vacated by the Commission; and that notice of the time and place for any hearing will be promptly given by the Commission.

By the Commission.

[SEAL]

ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 60-1682; Filed, Feb. 24, 1960;
8:47 a.m.]

LIBRARY OF CONGRESS

Copyright Office**COPYRIGHT LAW****Completion of Study**

FEBRUARY 17, 1960.

Pursuant to an authorization by Congress, the Copyright Office of the Library of Congress, with the aid of an advisory panel of specialists in the field, has conducted a program of studies of the copyright law (Title 17 of the United States Code) with a view to comprehensive revision of that law.

The studies have been designed to review the background of the various problems involved and to analyze the issues and alternative possibilities for their solution. With a few exceptions these studies have now been completed and preliminary copies made available to interested persons. The studies will soon be printed by the Subcommittee on Patents, Trademarks, and Copyrights of the Senate Committee on the Judiciary in the form of committee prints to be available at a nominal price from the Superintendent of Documents, U.S. Government Printing Office.

These studies, together with the views submitted by interested persons, will afford a basis for formulating recommendations to the Congress for revision of the present law.

All persons interested are invited to present to the Copyright Office, written statements of their views on any problems that they wish to have considered in a revision of the law. Such statements should be sent to my attention or that of Abe A. Goldman, Chief of Research, The Copyright Office, Library of Congress, Washington 25, D.C., not later than April 15, 1960.

ARTHUR FISHER,
Register of Copyrights.

[F.R. Doc. 60-1694; Filed, Feb. 24, 1960;
8:48 a.m.]

INTERSTATE COMMERCE COMMISSION

[Notice 115]

MOTOR CARRIER ALTERNATE ROUTE DEVIATION NOTICES

FEBRUARY 19, 1960.

The following letter-notices of proposals to operate over deviation routes for operating convenience only with service at no intermediate points have been filed with the Interstate Commerce Commission, under the Commission's Deviation Rules Revised, 1957 (49 CFR 211.1(c) (8)), and notice thereof to all interested persons is hereby given as provided in such rules (49 CFR 211.1(d) (4)).

Protests against the use of any proposed deviation route herein described may be filed with the Interstate Commerce Commission in the manner and form provided in such rules (49 CFR 211.1(e)) at any time but will not operate to stay commencement of the proposed operations unless filed within 30 days from the date of publication.

Successively filed letter-notices of the same carrier under the Commission's Deviation Rules Revised, 1957, will be numbered consecutively for convenience in identification and protests if any should refer to such letter-notices by number.

MOTOR CARRIERS OF PROPERTY

No. MC-1187 (Deviation No. 1) CUSHMAN MOTOR DELIVERY COMPANY, 1480 West Kinzie Street, Chicago 22, Illinois, filed February 8, 1960. Carrier proposes to operate as a *common carrier*, by motor vehicle, of *general commodities*, with certain exceptions, over a deviation route as follows: From Milwaukee, Wis., over U.S. Highway 41 to junction U.S. Highway 30, thence over U.S. Highway 30 to junction U.S. Highway 35, thence over U.S. Highway 35 to junction U.S. Highway 31, thence over U.S. Highway 31 to junction Indiana Highway 28, and thence over Indiana Highway 28 to Elwood, Ind., and return over the same route, for operating convenience only, serving no intermediate points. The notice indicates that the carrier is presently authorized to operate over a pertinent authorized service route as follows: From Milwaukee over U.S. Highway 41 to junction U.S. Highway 52, thence over U.S. Highway 52 to junction Indiana Highway 28, and thence over Indiana Highway 28 to Elwood, Ind., and return over the same route.

No. MC-67646 (Sub No. 2) (Deviation No. 8) HALL'S MOTOR TRANSIT COMPANY, P.O. Box 738, Sunbury, Pennsylvania, filed February 9, 1960. Carrier proposes to operate as a *common carrier*, by motor vehicle of general commodities, with certain exceptions, over a deviation route as follows: From Harrisburg, Pa., over U.S. Highway 11, to Pennsylvania Turnpike Interchange No. 16, thence over the Pennsylvania turnpike to Interchange No. 2 (Beaver Valley), thence over Pennsylvania Highway 18 to junction Pennsylvania Highway 551, thence over Pennsylvania Highway 551 to junc-

tion Pennsylvania Highway 168, thence over Pennsylvania Highway 168 to junction Pennsylvania Highway 51, thence over Pennsylvania Highway 51 to the Pennsylvania-Ohio State line, thence over Ohio Highway 14 to junction Ohio Highway 7, thence over Ohio Highway 7 to junction U.S. Highway 224 at Boardman, Ohio, thence over U.S. Highway 224 to junction Ohio Highway 14, thence over Ohio Highway 14 to junction Ohio Highway 82 (near Twinsburg, Ohio), thence over Ohio Highway 82 to junction U.S. Highway 42 (Strongsville, Ohio), and thence over U.S. Highway 42 to Cleveland, Ohio and return over the same route, for operating convenience only, serving no intermediate points. The notice indicates that the carrier is presently authorized to operate over the following pertinent authorized service routes: From Harrisburg over U.S. Highways 11 and 15 to Lewisburg, Pa.; from Lewisburg over Pennsylvania Highway 45 to Old Fort, Pa.; from Amity Hall, Pa., over U.S. Highway 322 to Pottery Mills, Pa., from Old Fort over Pennsylvania Highway 53 to junction U.S. Highway 322, thence over U.S. Highway 322 to Franklin, Pa., thence over U.S. Highway 62 to Oil City, Pa.; and from Oil City, over U.S. Highway 62 via Franklin, to Sandy Lake, Pa., thence over alternate U.S. Highway 322 (formerly Pennsylvania Highway 358) to Greenville, Pa., thence over Ohio Highway 88 to Parkman, Ohio, thence over U.S. Highway 422 to Chagrin Falls, Ohio, thence over unnumbered highway to Cleveland, and return over the same routes.

By the Commission.

[SEAL]

HAROLD D. MCCOY,
Secretary.[F.R. Doc. 60-1687; Filed, Feb. 24, 1960;
8:47 a.m.]

[Notice 268]

MOTOR CARRIER TRANSFER PROCEEDINGS

FEBRUARY 19, 1960.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 62453. By order of February 17, 1960, the Transfer Board approved the transfer to Mary M. Elliott, Charles Dale Elliott and Mabel Helen Elliott, a partnership, doing business as Rose City Transfer & Storage Co., 2318 Broad Street, New Castle, Indiana, of Certificates in Nos. MC 80084 and MC

80084 Sub 1, issued January 10, 1951 and June 2, 1954, to Charles J. Elliott, doing business as Rose City Transfer & Storage Company, 2318 Broad Street, New Castle, Ind., authorizing the transportation of: General commodities, excluding household goods, commodities in bulk, and other specified commodities between New Castle, Ind., and Hagerstown, Ind., and return; between points in Indiana within three miles of New Castle, Ind., including New Castle; and pianos, uncrated, over irregular routes, from New Castle, Ind., to points in the United States, with no transportation for compensation on return, except as provided.

No. MC-FC 62777. By order of February 16, 1960, the Transfer Board approved the transfer to Maria Arpin, doing business as William Arpin, 39 Appleton Street, Providence, R.I., of Certificate No. MC 76573 issued December 4, 1940, in the name of William Arpin, Providence, R.I., authorizing the transportation of household goods, over irregular routes, between points in Rhode Island, on the one hand, and, on the other, points in New Hampshire, Vermont, Massachusetts, Connecticut, New York, New Jersey, and Pennsylvania.

No. MC-FC 62823. By order of February 17, 1960, the Transfer Board approved the transfer to Sun Motor Line, Inc., Floydada, Tex., of the operating rights in Permit No. MC 66836, Corrected Permit No. MC 66836 Sub 1, and Permits Nos. MC 66836 Sub 2 and MC 66836 Sub 7, issued November 8, 1940, May 10, 1941, August 4, 1942, and July 19, 1950, respectively to V. D. Turner, doing business as Turner Transfer, Floydada, Tex., authorizing the transportation, over irregular routes, of lubricating oils and greases, from Tulsa and Oklahoma City, Okla., to specified points in Texas, between Oklahoma City, Okla., on the one hand, and, on the other, Cortez, Colo., and forty-two specified towns in Texas, from Tulsa, Okla., to forty-two specified towns in Texas, from Tulsa and Oklahoma City, Okla., to points in a described portion of Texas, excluding the above-referred-to forty-two towns, grease guns and pumps, insecticides, and advertising signs, from Tulsa and Oklahoma City, Okla., to forty-two specified towns in Texas and a described portion of Texas, and lubricating oils and greases, in containers, grease guns and pumps, insecticides, and advertising signs, from Oklahoma City, Okla., to points in New Mexico. The Transfer Board also approved the substitution of transferee as applicant in Docket No. MC 66836 Sub 8. Rufus H. Lawson, P.O. Box 7342, Oklahoma City, Okla., for applicants.

No. MC-FC 62836. By order of February 16, 1960, the Transfer Board approved the transfer to Smith Bros. Express, Inc., Staten Island, New York, of a Certificate in No. MC 3105 issued October 17, 1956 to Herbert Smith, Herbert Smith, Jr., and Gerald Smith, a partnership, doing business as Smith Bros. Express, 101-105 Montgomery Avenue, Staten Island, New York, authorizing the transportation of general commodities, excluding household goods, as defined by the Commission, and commodities in bulk, between points in the New

York, N.Y., Commercial Zone, as defined by the Commission.

No. MC-FC 62855. By order of February 16, 1960, the Transfer Board approved the transfer to Apple Moving and Storage, Inc., Indianapolis, Ind., of Certificate in No. MC 70015, issued October 13, 1943, to Orville Lawrence, doing business as T. E. Mockford Transfer and Storage Co., Indianapolis, Ind., authorizing the transportation of: Household goods, between Indianapolis, Ind., on the one hand, and, on the other, points in Ohio, Kentucky, and Illinois. Fred A. Wiecek, 130 East Washington Street, Indianapolis 4, Indiana for applicants.

No. MC-FC 62856. By order of February 16, 1960, the Transfer Board approved the transfer to Francis Joseph McDade, doing business as P. F. McDade and Son, Philadelphia, Pa., of a portion of Certificate No. MC 113478 issued March 28, 1955, to William Smith, doing business as Smith Moving & Trucking Service, Philadelphia, Pa., authorizing the transportation of uncrated new household and office furniture, household furnishings and household appliances, over irregular routes, from Philadelphia, Pa., to points in New Jersey and Delaware within 40 miles of Philadelphia, with no transportation for compensation on return. Jacob Polin, P.O. Box 317, Bala-Cynwyd, Pa., for applicants.

No. MC-FC 62871. By order of February 16, 1960, the Transfer Board approved the transfer to Truck Equipment & Supply Company, a corporation, Torrington, Wyo., of Permit No. MC 118840, issued August 25, 1959, to Dennis Caruthers, doing business as Truck Equipment and Supply, Torrington, Wyo., authorizing the transportation of: Regular Routes: Cement and plaster in truckloads, minimum 15,000 pounds, from Laporte, Colo., to Lance Creek, Wyo., serving the intermediate point of Torrington, Wyo., restricted to delivery only; and the intermediate and off-route points within three miles of Laporte restricted to pick-up only; building materials, in truckloads, minimum 4,000 pounds, from Scottsbluff, Nebr., to Torrington, Wyo., serving no intermediate points; irregular routes, fence posts, from Deadwood, S. Dak., to Lusk, Wyo., with no transportation for compensation on return except as otherwise authorized; cement, except cement in bulk, from Boettcher, Colo., to Lusk and New Castle, Wyo., with no transportation for compensation on return except as otherwise authorized. Robert S. Stauffer, Attorney for both parties, 1510 East 20th Street, Cheyenne, Wyo., for applicants.

No. MC-FC 62894. By order of February 16, 1960, the Transfer Board approved the transfer to Glen R. Ellis, Chattanooga, Tenn., of the operating rights in Certificate No. MC 109507, issued January 18, 1954, to Cofer Freight Line, Inc., Chattanooga, Tenn., authorizing the transportation, over irregular routes, of lard, lard substitutes, salad and cooking oils, empty containers for such commodities, sugar, malt beverages, empty malt beverage containers, processed and unprocessed peanuts, and fer-

tilizer, from, to, and between points in Kentucky, Tennessee, Indiana, Ohio, and Georgia. Blaine Buchanan, 1024 James Building, Chattanooga 2, Tenn., for applicants.

No. MC-FC 62906. By order of February 16, 1960, the Transfer Board approved the transfer to Harold Reed, Table Rock, Nebr., of the operating rights in Certificate No. MC 37804, issued January 18, 1950, to Lyle N. Sturgeon and Lester R. Sturgeon, a Partnership, doing business as Sturgeon Brothers, Table Rock, Nebr., authorizing the transportation, over regular routes, of livestock, between Pawnee City, Nebr., and St. Joseph, Mo., and Topeka, Kans., and general commodities, excluding household goods and commodities in bulk, from St. Joseph to Pawnee City, and, over irregular routes, of livestock and farm products, between Pawnee City and points within 20 miles thereof, on the one hand, and, on the other, points in Kansas east of U.S. Highway 77, and north of U.S. Highway 40. R. H. Stillinger, State Bank of Table Rock, Nebr., for applicants.

No. MC-FC 62937. By order of February 11, 1960, the Transfer Board approved the transfer to Bundy Truck Line, Inc., Gatesville, North Carolina, of Certificates in Nos. MC 115056 Sub 2, MC 115056 Sub 3, MC 115056 Sub 4, MC 115056 Sub 6, and MC 115056 Sub 10, issued on February 3, 1956, May 28, 1957, May 28, 1957, October 3, 1958, and September 23, 1959, respectively, to Claude Bundy, dba Bundy Truck Line, Gatesville, North Carolina, authorizing the transportation of specific commodities from, to, and between, specified points in North Carolina, Virginia, Maryland, Pennsylvania, Delaware, New Jersey, New York, Connecticut, Ohio, West Virginia, Wisconsin, Minnesota, Illinois, Tennessee, Mississippi, Louisiana, Michigan, Indiana, Kentucky, Alabama, Georgia, Florida, South Carolina, Rhode Island, Connecticut, New Hampshire, Vermont, Massachusetts, Maine, and the District of Columbia. Mr. Phillip P. Goodwin, Gatesville, North Carolina.

[SEAL]

HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 60-1688; Filed, Feb. 24, 1960;
8:47 a.m.]

[Notice 311]

MOTOR CARRIER APPLICATIONS AND CERTAIN OTHER PROCEEDINGS

FEBRUARY 19, 1960.

The following publications are governed by the Interstate Commerce Commission's general rules of practice (49 CFR 1.40) including Special Rules (49 CFR 1.241) governing notice of filing of applications by motor carriers of property or passengers or brokers under sections 206, 209 and 211 of the Interstate Commerce Act and certain other proceedings with respect thereto.

All hearings will be called at 9:30 o'clock a.m., United States standard time unless otherwise specified.

APPLICATIONS ASSIGNED FOR ORAL HEARING OR PRE-HEARING CONFERENCE

MOTOR CARRIERS OF PROPERTY

No. MC 4405 (Sub No. 338), filed October 23, 1959. Applicant: DEALERS TRANSIT, INC., 12601 South Torrence Avenue, Chicago 33, Ill. Applicant's attorney: James W. Wrape, Sterick Building, Memphis, Tenn. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Truck and trailer bodies*, from Jerseyville, Ill., to all points in the United States. Applicant is authorized to conduct operations throughout the United States.

HEARING: April 22, 1960, at the U.S. Court House and Custom House, 1114 Market Street, St. Louis, Mo., before Examiner A. Lane Cricher.

No. MC 4405 (Sub No. 339), filed October 23, 1959. Applicant: DEALERS TRANSIT, INC., 12601 South Torrence Avenue, Chicago 33, Ill. Applicant's attorney: James W. Wrape, Sterick Building, Memphis, Tenn. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers, semi-trailers, trailer chassis and semi-trailers chassis*, other than those designed to be drawn by passenger automobiles, in initial movements by truckaway service from Jerseyville, Ill., to all points in the United States including points in the District of Columbia and Alaska. Applicant is authorized to conduct operations throughout the United States.

HEARING: April 22, 1960, at the U.S. Court House and Custom House, 1114 Market Street, St. Louis, Mo., before Examiner A. Lane Cricher.

No. MC 22195 (Sub No. 73), filed October 30, 1959. Applicant: DAN S. DUGAN, doing business as DUGAN OIL AND TRANSPORT CO., P.O. Box 946, 41st Street and Grange Avenue, Sioux Falls, S. Dak. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum and petroleum products*, in bulk, in tank vehicles, as described in Appendix XIII to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209, from Mandan, N. Dak., and points within 10 miles thereof to points in Minnesota, and *rejected shipments* of the above-specified commodities, on return. Applicant is authorized to conduct operations in Iowa, Minnesota, Nebraska, North Dakota, and South Dakota.

HEARING: March 31, 1960, in Room 601, Metropolitan Building, Second Avenue South and Third Streets, Minneapolis, Minn., before Joint Board No. 24, or, if the Joint Board waives its right to participate, before Examiner Leo W. Cunningham.

No. MC 24115 (Sub No. 10), filed December 14, 1959. Applicant: D. H. KESSMAN, Box 95, Hamel, Ill. Applicant's attorney: Mack Stephenson, 208 East Adams Street, Springfield, Ill. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fruit juice concentrate*, in bulk, in tank vehicles,

from Los Angeles, Calif., to St. Louis, Mo., and *rejected shipments* of the above-specified commodities on return. Applicant is authorized to conduct operations in Illinois, Indiana, Michigan, Missouri, and Ohio.

HEARING: April 20, 1960, at the U.S. Court House and Custom House, 1114 Market Street, St. Louis, Mo., before Examiner A. Lane Cricher.

No. MC 25869 (Sub No. 10), filed December 9, 1959. Applicant: MYRON R. NOLTE AND MAURICE D. NOLTE, doing business as NOLTE BROS., Farnhamville, Iowa. Applicant's representative: Kenneth F. Dudley, 106 North Court Street, Ottumwa, Iowa. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Gypsum products, reinforcing steel, and reinforcing mesh*, from Fort Dodge, Iowa, and points within 5 miles thereof, to points in Illinois, Minnesota, and Wisconsin and points in Dakota, Dixon, and Thurston Counties, Nebr., and points in Clay, Lincoln, Minnehaha, Turner, and Union Counties, S. Dak. Applicant is authorized to conduct operations in Iowa, Illinois, Indiana, Missouri, Nebraska, and Wisconsin.

HEARING: April 5, 1960, in Room 401, Old Federal Office Building, Fifth and Court Avenues, Des Moines, Iowa, before Examiner Charles J. Murphy.

No. MC 29886 (Sub No. 162), filed December 7, 1959. Applicant: DALLAS & MAVIS FORWARDING CO., INC., a corporation, 4000 West Sample Street, South Bend, Ind. Applicant's attorney: Charles Pieroni, 523 Johnson Building, Muncie, Ind. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Material handling equipment, and parts thereof*, when moving with such equipment, from Omaha, Nebr., to points in California, Oregon, Washington, Montana, Idaho, Nevada, Arizona, New Mexico, Colorado, Texas, Utah, and Alaska, and *rejected, damaged or returned shipments*, of the above described commodities, on return. Applicant is authorized to conduct operations throughout the United States.

HEARING: April 14, 1960, at the Rome Hotel, Omaha, Nebr., before Examiner Charles J. Murphy.

No. MC 43038 (Sub No. 419) (Republication), filed November 18, 1959, published in FEDERAL REGISTER of February 10, 1960. Applicant: COMMERCIAL CARRIERS, INC., 3399 East McNichols Road, Detroit 12, Mich. Applicant's attorney: Louis E. Smith, 511 Fidelity Building, 111 Monumental Circle, Indianapolis 4, Ind. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Motor vehicles (except trailers)*, in initial and secondary movements, by driveaway and truckaway, between points in Oregon, on the one hand, and, on the other, points in California, Colorado, Idaho, Montana, Nevada, Utah, Washington, and Wyoming. Applicant is authorized to conduct operations in Alabama, Colorado, District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Mary-

land, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

NOTE: Applicant states the proposed operation shall be restricted to the transportation of traffic that has a prior movement by rail transported in trailers on flatcars.

HEARING: Remains as assigned, April 15, 1960, at the Interstate Commerce Commission Hearing Room, 410 Southwest 10th Avenue, Portland, Oregon, before Examiner Richard H. Roberts.

No. MC 43038 (Sub No. 426) (CORRECTION), filed February 1, 1960, published in the FEDERAL REGISTER, issue of February 10, 1960. Applicant: COMMERCIAL CARRIERS, INC., 3399 East McNichols Road, Detroit 12, Mich. Applicant's attorney: Donald W. Smith, 511 Fidelity Building, Indianapolis 4, Ind. The purpose of this publication is to name Chicago, Ill., previously omitted as the place of hearing.

HEARING: Remains as assigned March 7, 1960, in Room 852, U.S. Custom House, 610 South Canal Street, Chicago, Ill., before Examiner Allen W. Hagerty.

No. MC 50132 (Sub No. 76), filed December 28, 1959. Applicant: CENTRAL & SOUTHERN TRUCK LINES, INC., 312 West Morris Street, Caseyville, Ill. Authority sought to operate as a common or contract carrier, by motor vehicle, over irregular routes, transporting: *Oil and petroleum products*, in cans, barrels, and other containers, in peddler delivery service, from Good Hope, La., to Cedar Rapids, Davenport, Des Moines, Estherville, Mason City, Sioux City, and Waterloo, Iowa, Joplin, Kansas City, and St. Joseph, Mo., and Beatrice; Grand Island, Hastings, Norfolk, and Omaha, Nebr. Applicant is authorized to conduct operations in Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Mexico, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia, and Wisconsin.

NOTE: A proceeding has been instituted under section 212(c) in No. MC 50132 (Sub No. 38) to determine whether applicant's status is that of a common or contract carrier. Applicant also has a pending common carrier (BOR 1) application under MC 113267 (Sub No. 2). Dual authority under section 210 may be involved.

HEARING: April 14, 1960, at the Rome Hotel, Omaha, Nebr., before Examiner Charles J. Murphy.

No. MC 50132 (Sub No. 77), filed December 29, 1959. Applicant: CENTRAL & SOUTHERN TRUCK LINES, INC., 312 West Morris Street, Caseyville, Ill. Authority sought to operate as a common or contract carrier by motor vehicle, over irregular routes, transporting: *Ground mica*, in bags, from Heflin, Ala., to points in Illinois, Louisiana, Mississippi, Missouri, Ohio, New Jersey, New

York, and Texas. Applicant is authorized to conduct operations in Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Mexico, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia, and Wisconsin.

NOTE: A proceeding has been instituted under section 212(c) in No. MC 50132 (Sub No. 38) to determine whether applicant's status is that of a common or contract carrier. Applicant also has a pending common carrier (BOR 1) application under MC 113267 (Sub No. 2). Dual authority under section 210 may be involved.

HEARING: April 20, 1960, at the U.S. Court House and Custom House, 1114 Market Street, St. Louis, Mo., before Examiner A. Lane Cricher.

No. MC 52460 (Sub No. 50), filed October 21, 1959. Applicant: HUGH BREEDING, INC., 1420 West 35th Street, P.O. Box 9515, Tulsa, Okla. Applicant's attorney: James W. Wrape, 2111 Sterick Building, Memphis 3, Tenn. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: *Silica sand*, in bulk, in tank vehicles, pneumatic type, from the plant site of the Pennsylvania Glass Sand Corporation, at or near Mill Creek, Okla., to points in Texas and Arkansas within 200 miles of said plant. Applicant is authorized to conduct operations in Arkansas, Illinois, Iowa, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, Tennessee, and Texas.

HEARING: April 5, 1960, at the Mayo Hotel, Tulsa, Okla., before Joint Board No. 15, or, if the Joint Board waives its right to participate, before Examiner Leo A. Riegel.

No. MC 81968 (Sub No. 17), filed January 22, 1960. Applicant: B & L MOTOR FREIGHT, INC., 171 Riverside Drive, Newark, Ohio. Applicant's attorney: Clarence D. Todd, 1825 Jefferson Place NW., Washington, D.C. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes transporting: *Fiberglass materials and products, including fibrous glass mineral wool products and fiberglass textile materials and products and plastic materials and products*, except liquid commodities, in tank vehicles, between Kansas City, Mo. on the one hand, and, on the other points in Indiana, Kentucky, Ohio, and Tennessee, and those in the Lower Peninsula of Michigan.

NOTE: A proceeding has been instituted under section 212(c) of the Interstate Commerce Act, to determine whether applicant's status is that of a contract or common carrier in MC 81968 (Sub No. 13).

HEARING: April 19, 1960, at the New Hotel Pickwick, Kansas City, Missouri, before Examiner Charles J. Murphy.

No. MC 83539 (Sub No. 56), filed October 22, 1959. Applicant: C & H TRANSPORTATION CO., INC., 1935 West Commerce Street, P.O. Box 5976, Dallas, Tex. Applicant's attorney: W. T. Brunson, Leonhardt Building, Oklahoma City 2, Okla. Authority sought to operate as a common carrier, by motor

vehicle, over irregular routes, transporting: (1) *Tractors* (other than ordinary truck tractors), *tractor attachments* and *parts thereof*, (2) *construction machinery and equipment*, as defined by the Commission, (3) *lift attachments, outriggers, and parts thereof*, (4) *prime movers*, designed to pull, move and shift property at less than normal highway speeds, and *attachments and parts thereof*, (5) *power loaders and attachments and parts thereof*, (6) *semi-trailers*, between Ottawa, Kans., and plant sites of Ottawa Steel Division of Young Spring and Wire Corporation near Ottawa, Kans., on the one hand, and, on the other, points in the United States, including Alaska, but excluding Hawaii. Applicant is authorized to conduct operations in Kansas, New Mexico, Texas, Oklahoma, Louisiana, Illinois, Indiana, Kentucky, Mississippi, Arkansas, Wisconsin, Arizona, Iowa, New Jersey, New York, Utah, West Virginia, North Dakota, South Dakota, Missouri, Nebraska, Colorado, Nevada, Pennsylvania, Montana, Wyoming, Tennessee, Ohio, Oregon, Washington, Minnesota, and Michigan.

HEARING: April 20, 1960, at the New Hotel Pickwick, Kansas City, Mo., before Examiner Charles J. Murphy.

No. MC 83539 (Sub No. 57), filed October 26, 1959. Applicant: C & H TRANSPORTATION CO., INC., 1935 West Commerce Street, P.O. Box 5976, Dallas, Tex. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Road rollers, compaction equipment, rock crushers, and parts or attachments thereof* when moving in connection therewith, from Tulsa, Okla., to points in the United States, including Alaska, and return *such of the above-described commodities* which are being returned to Tulsa for repair or reconditioning, or which have been used for advertising or display purposes. Applicant is authorized to conduct operations in Kansas, New Mexico, Texas, Oklahoma, Louisiana, Illinois, Indiana, Kentucky, Mississippi, Arkansas, Wisconsin, Arizona, Iowa, New Jersey, New York, Utah, West Virginia, North Dakota, South Dakota, Missouri, Nebraska, Colorado, Nevada, Pennsylvania, Montana, Wyoming, Ohio, Tennessee, Oregon, Washington, Minnesota, and Michigan.

HEARING: April 6, 1960, at the Federal Building, Oklahoma City, Okla., before Examiner Leo A. Riegel.

No. MC 83539 (Sub No. 58), filed December 31, 1959. Applicant: C & H TRANSPORTATION CO., INC., 1935 West Commerce Street, P.O. Box 5976, Dallas, Tex. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Pipe*, other than pipe used in or in connection with the discovery, development, production, refining, manufacture, processing, storage, transmission, and distribution of natural gas and petroleum, and their products and by-products, including *pipe connections, couplings, or fittings*, when moving in connection therewith, from Lone Star and Bond, Tex., to points in Arkansas, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, and Texas, and *damaged, rejected or returned shipments* of Pipe, on return. Applicant

is authorized to conduct operations in Arizona, Arkansas, Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Utah, Washington, West Virginia, Wisconsin, and Wyoming.

HEARING: April 14, 1960, at the Baker Hotel, Dallas, Tex., before Examiner Leo A. Riegel.

No. MC 83539 (Sub 60), filed January 18, 1960. Applicant: C & H Transportation Co., Inc., 1935 West Commerce Street, P.O. Box 5976, Dallas, Tex. Applicant's attorney: W. T. Brunson, Leonhardt Building, Oklahoma City, Okla. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fabricated iron or steel articles*, from Tulsa, Okla., to points in the United States including Alaska, and on return, such of the above described commodities which are being returned to Tulsa for repair or reconditioning.

HEARING: April 4, 1960, at the Mayo Hotel, Tulsa, Okla., before Examiner Leo A. Riegel.

No. MC 83835 (Sub No. 39), filed February 5, 1960. Applicant: WALES TRUCKING COMPANY, a corporation, 3319 Cedar Crest Boulevard, P.O. Box 6186, Dallas 3, Tex. Applicant's attorney: James W. Hightower, 122 Wynnewood Professional Building, Dallas 24, Tex. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Pipe*, other than pipe used in or in connection with the discovery, development, production, refining, manufacture, processing, storage, transmission and distribution of natural gas and petroleum and their products and by-products, and *pipe couplings, connections or fittings* when moving in connection therewith, from Lone Star and Bond, Tex., to points in Arkansas, Colorado, Kansas, Louisiana, Mississippi, Missouri, New Mexico, Oklahoma, and Texas, and *damaged, rejected or returned shipments* of the above-described commodities, on return.

HEARING: April 14, 1960, at the Baker Hotel, Dallas, Tex., before Examiner Leo A. Riegel.

No. MC 92983 (Sub No. 369), filed December 9, 1959. Applicant: ELTON MILLER, INC., 330 East Washington, Iowa City, Iowa. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fat and oils*, in bulk, in tank vehicles, from Dupo, Ill., to points in Colorado, Tennessee, and Texas. Applicant is authorized to conduct operations in Alabama, Arizona, Colorado, Connecticut, District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, West Virginia, Wisconsin, and Wyoming.

HEARING: April 26, 1960, at the U.S. Court House and Custom House, 1114 Market Street, St. Louis, Mo., before Examiner A. Lane Cricher.

No. MC 95540 (Sub No. 321), filed January 11, 1960. Applicant: WATKINS MOTOR LINES, INC., Cassidy Road, P.O. Box 785, Thomasville, Ga. Applicant's attorney: Joseph H. Blackshear, Gainesville, Ga. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meat, meat products and meat by-products and articles distributed by meat packing houses*, from St. Joseph, Mo., to points in Florida.

HEARING: April 22, 1960, at the New Hotel Pickwick, Kansas City, Mo., before Examiner Charles J. Murphy.

No. MC 95540 (Sub No. 322), filed February 4, 1960. Applicant: WATKINS MOTOR LINES, INC., Cassidy Road, Thomasville, Ga. Applicant's attorney: Joseph H. Blackshear, Gainesville, Ga. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen meats, meat products, Meat By-Products and Dairy Products*, as defined by the Commission, from points in New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, and Massachusetts, to points in Arkansas, Oklahoma, Texas, Arizona, New Mexico, Washington, Oregon, and California.

HEARING: March 30, 1960, at the Offices of the Interstate Commerce Commission, Washington, D.C., before Examiner Leo A. Riegel.

No. MC 105265 (Sub No. 43), filed January 8, 1960. Applicant: DENVER-AMARILLO RED BALL MOTOR FREIGHT, INC., 1210 South Lamar (P.O. Box 3148), Dallas, Tex. Applicant's attorney: Charles D. Mathews and Thomas E. James, P.O. Box 858, Austin 65, Tex. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities, including Classes A and B explosives*, but excluding commodities in bulk, those of unusual value, household goods as defined by the Commission, commodities requiring special equipment, and those injurious to other lading, between Clayton, N. Mex., and Boise City, Okla.: from Clayton over New Mexico Highway 58 to the New Mexico-Oklahoma State Line, and thence over U.S. Highways 56 and 64 to Boise City, and return over the same route, serving no intermediate points, as an alternate route for operating convenience only in connection with applicant's authorized operations.

HEARING: April 6, 1960, at the Federal Building, Oklahoma City, Okla., before Joint Board No. 371, or, if the Joint Board waives its right to participate, before Examiner Leo A. Riegel.

No. MC 106553 (Sub No. 5), filed December 28, 1959. Applicant: AUTO TRANSPORTS, INC., 4900 North Santa Fe, Oklahoma City, Okla. Applicant's attorney: James W. Wrape, 2111 Sterick Building, Memphis, Tenn. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *New motor vehicles, vehicle cabs and bodies, and automobile show equipment and paraphernalia*,

when transported with display vehicles, in initial movements by truckaway and driveway, from the site of General Motors Plant in Wyandotte County, Kans., to points in Arizona, Nevada, Idaho, Oregon, Washington, and California. Applicant is authorized to conduct operations in Arkansas, Colorado, Illinois, Indiana, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah, Wisconsin, and Wyoming.

NOTE: Applicant states that the service here proposed will be under a continuing contract with the Buick-Oldsmobile-Pontiac Assembly Division, General Motors Corporation, Detroit, Mich.

HEARING: April 21, 1960, at the New Hotel Pickwick, Kansas City, Mo., before Examiner Charles J. Murphy.

No. MC 106775 (Sub No. 13), filed January 25, 1960. Applicant: **HEAVY HAULERS, INC.**, 2701 Bataan, P.O. Box 267, Dallas, Tex. Applicant's attorney: James W. Hightower, Suite 122, Wynnewood Professional Building, Dallas 24, Tex. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Pipe*, other than pipe used in, or in connection with the discovery, development, production, refining, manufacture, processing, storage, transmission, and distribution of natural gas and petroleum and other products, and by-products; and, *pipe couplings, connections or fittings*, when moving in connection therewith, from Lone Star, and Bond, Tex., to points in Arkansas, Colorado, Kansas, Louisiana, Mississippi, Missouri, New Mexico, Oklahoma, and Texas, and *damaged, rejected or returned shipments* thereof, on return.

HEARING: April 14, 1960, at the Baker Hotel, Dallas, Tex., before Examiner Leo A. Riegel.

No. MC 107107 (Sub No. 141), filed February 4, 1960. Applicant: **ALTERMAN TRANSPORT LINES, INC.**, P.O. Box 65 Allapattah Station, Miami 42, Fla. Applicant's attorney: Frank B. Hand, Jr., 522 Transportation Building, Washington 6, D.C. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fresh, frozen or processed seafood*, from Baltimore, Md., to points in Florida.

HEARING: March 28, 1960, at the Offices of the Interstate Commerce Commission, Washington, D.C., before Examiner C. Evans Brooks.

No. MC 107107 (Sub No. 142), filed February 4, 1960. Applicant: **ALTERMAN TRANSPORT LINES, INC.**, P.O. Box 65 Allapattah Station, Miami 42, Fla. Applicant's attorney: Frank B. Hand, Jr., 522 Transportation Building, Washington 6, D.C. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fresh and processed nuts and peanut butter*, from Boykins, Va., to points in Florida.

HEARING: March 29, 1960, at the Offices of the Interstate Commerce Commission, Washington, D.C., before Examiner William P. Sullivan.

No. MC 107496 (Sub No. 152), filed January 22, 1960. Applicant: **RUAN**

TRANSPORT CORPORATION, 408 Southeast 30th Street, Des Moines, Iowa. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Sulphuric acid*, in bulk, in tank vehicles, from Dubuque, Iowa, to U.S. Air Force Bases at or near Finley and Minot, N. Dak.

HEARING: April 7, 1960, in Room 401, Old Federal Office Building, Fifth and Court Avenues, Des Moines, Iowa, before Examiner Charles J. Murphy.

No. MC 107515 (Sub No. 340), filed November 25, 1959. Applicant: **REFRIGERATED TRANSPORT CO., INC.**, 290 University Avenue SW., Atlanta 10, Ga. Applicant's attorney: Allan Watkins, 214 Grant Building, Atlanta 3, Ga. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Candy*, from Fort Worth, Tex., to points in Alabama, Georgia, Florida, South Carolina, North Carolina, Tennessee, Louisiana, and Mississippi. Applicant is authorized to conduct operations in Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Mexico, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and Wisconsin.

NOTE: Dual operations under section 210, and common control may be involved.

HEARING: April 20, 1960, at the Baker Hotel, Dallas, Tex., before Examiner Leo A. Riegel.

No. MC 108449 (Sub No. 97), filed January 20, 1960. Applicant: **INDIAN-HEAD TRUCK LINE, INC.**, 1947 West County Road C, St. Paul 13, Minn. Applicant's attorney: Glenn W. Stephens, 121 West Doty Street, Madison 3, Wis. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Charcoal*, in bulk, from Durand and Mondovi, Wis., and points within three (3) miles of each, to Isanti, Minn., and points within three (3) miles thereof; and (2) *forest products, charcoal briquets, and charcoal*, in bulk and in bags, from Isanti, Minn., and points within three (3) miles thereof, to points in Iowa, South Dakota, North Dakota, Illinois, Wisconsin, and that portion of Minnesota on and east of U.S. Highway 53 between Duluth and the United States-Canada boundary line near International Falls, Minn.

HEARING: April 1, 1960, in Room 601, Metropolitan Building, Second Avenue South and Third Streets, Minneapolis, Minn., before Examiner Leo W. Cunningham.

No. MC 110593 (Sub No. 8), filed November 27, 1959. Applicant: **MOBILE HOMES TRANSPORT, INCORPORATED**, 2650 Lincoln Way, Ames, Iowa. Applicant's attorney: Stephen Robinson, 1020 Savings and Loan Building, Des Moines 9, Iowa. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers*, designed to be drawn by passenger automobiles, in secondary movements, in truckaway service, from points in Iowa to points in Arizona, California, Kansas, New Mexico, Oklahoma, Texas, Florida, and Colorado, and

empty containers or other such incidental facilities (not specified) used in transporting Trailers on return movements. Applicant is authorized to conduct operations in Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, and Nebraska.

HEARING: April 4, 1960, in Room 401, Old Federal Office Building, Fifth and Court Avenues, Des Moines, Iowa, before Examiner Charles J. Murphy.

No. MC 111545 (Sub No. 40), filed February 8, 1960. Applicant: **HOME TRANSPORTATION COMPANY, INC.**, 334 South Four Lane Highway, Marietta, Ga. Applicant's attorney: Allan Watkins and Paul M. Daniell, Suite 214-217 Grant Building, Atlanta 3, Ga. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel articles and expanded metals*, on flatbed trailers, from the plant site of the U.S. Gypsum Co., Warren, Ohio, to points in Alabama, North Carolina, South Carolina, Georgia, Florida, Mississippi, and Tennessee.

HEARING: April 1, 1960, at the Offices of the Interstate Commerce Commission, Washington, D.C., before Examiner Reece Harrison.

No. MC 111812 (Sub No. 94), filed November 27, 1959. Applicant: **MIDWEST COAST TRANSPORT, INC.**, Wilson Terminal Building, P.O. Box 747, Sioux Falls, S. Dak. Applicant's attorney: Donald Stern, 924 City National Bank Building, Omaha, Nebr. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Foodstuffs*, from points in Nassau and Westchester Counties, N.Y., Hudson, Essex, Union, Middlesex, Bergen, Burlington, and Camden Counties, N.J., Delaware, Montgomery, and Bucks Counties, Pa., to Milwaukee, Wis., Minneapolis, Minn., Omaha, Nebr., and Sioux City, Iowa. Applicant is authorized to conduct operations in Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Idaho, Iowa, Maine, Maryland, Massachusetts, Michigan, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New York, New Jersey, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Utah, Vermont, Virginia, Washington, West Virginia, and Wyoming.

HEARING: March 25, 1960, at Room 601, Metropolitan Building, Second Avenue, South and Third Streets, Minneapolis, Minn., before Examiner Leo W. Cunningham.

No. MC 112020 (Sub No. 85), filed November 30, 1959. Applicant: **COMMERCIAL OIL TRANSPORT**, a corporation, 1030 Statton Street, Fort Worth, Tex. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Vegetable oils and animal fats, products and blends* thereof, in bulk, in tank vehicles, from points in Texas to points in Georgia, Florida, South Carolina, North Carolina, Virginia, Tennessee, and Kentucky; (2) *Vegetable oils*, in bulk, in tank vehicles, from points in Texas to points in Alabama; and (3) *Vegetable oils and animal fats, products and blends* thereof, in bulk, in tank vehicles, from points in Georgia,

Florida, South Carolina, North Carolina, Virginia, Kentucky, Alabama, Mississippi, and Tennessee, to points in Texas. Applicant is authorized to conduct operations in Alabama, Arizona, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia, West Virginia, Wisconsin, and the District of Columbia.

HEARING: April 18, 1960, at the Baker Hotel, Dallas, Texas, before Examiner Leo A. Riegel.

No. MC 112020 (Sub No. 87), filed December 11, 1959. Applicant: **COMMERCIAL OIL TRANSPORT**, a corporation, 1030 Stayton Street, Fort Worth, Tex. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Paint and paint materials, resins, vegetable oils and products and blends thereof*, in bulk, in tank vehicles, between points in Dallas County, Texas, on the one hand, and, on the other, points in Tennessee, Florida, and Georgia. Applicant is authorized to conduct operations in Alabama, Arizona, Arkansas, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia, West Virginia, and Wisconsin.

HEARING: April 19, 1960, at the Baker Hotel, Dallas, Tex., before Examiner Leo A. Riegel.

No. MC 112020 (Sub No. 90), filed January 12, 1960. Applicant: **COMMERCIAL OIL TRANSPORT**, a corporation, 1030 Stayton Street, Fort Worth, Tex. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Livestock feedstuffs*, in bulk, and in sacks, or other containers, between Sherman, Texas, on the one hand, and, on the other, points in Texas, New Mexico, Oklahoma, Arkansas, and Louisiana.

HEARING: April 20, 1960, at the Baker Hotel, Dallas, Tex., before Examiner Leo A. Riegel.

No. MC 114045 (Sub No. 56), filed January 8, 1960. Applicant: **R. L. MOORE AND JAMES T. MOORE**, doing business as **TRANS-COLD EXPRESS**, P.O. Box 5842, Belt Line and Finley Roads, Dallas, Tex. Applicant's attorney: Leroy Hallman, First National Bank Building, Dallas 2, Tex. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat by-products*, as defined by the Commission, from points in Virginia and Ohio to points in Texas, Oklahoma, Arkansas, and Louisiana.

HEARING: April 22, 1960, at the Baker Hotel, Dallas, Tex., before Examiner Leo A. Riegel.

No. MC 114211 (Sub No. 18), filed January 18, 1960. Applicant: **DONALDSON TRANSFER COMPANY**, a corporation, 213 Witry Street, Waterloo, Iowa. Applicant's attorney: Charles W. Singer, 33 North La Salle Street, Chicago 2, Ill. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Agricultural machinery and implements, and attachments*, from Moline, East Moline, and Rock Island, Ill., to points in Texas and New Mexico, and *rejected and damaged shipments* of the above-described commodities and *exempt commodities* on return.

HEARING: April 21, 1960, at the Baker Hotel, Dallas, Tex., before Examiner Leo A. Riegel.

No. MC 115824 (Sub No. 7), filed January 13, 1960. Applicant: **LESTER PETERSEN**, 410 Malin Street, Mankato, Minn. Applicant's attorney: Hoyt Crooks, 842 Raymond Avenue, St. Paul 14, Minn. Authority sought to operate as a *contract or common carrier*, by motor vehicle, over irregular routes, transporting: *Animal feeds and feed ingredients*, from Savage and Minneapolis, Minn., to points in Minnesota, North Dakota, South Dakota, Wisconsin, Iowa, Nebraska, Montana, and Wyoming, and *empty containers or other such incidental facilities* (not specified) used in transporting the commodities specified in this application on return.

NOTE: A proceeding has been instituted under section 212(c) of the Interstate Commerce Act to determine whether applicant's status is that of a contract or common carrier, assigned Docket No. MC 115824 (Sub No. 3).

HEARING: March 30, 1960, in Room 601, Metropolitan Building, Second Avenue South and Third Streets, Minneapolis, Minn., before Examiner Leo W. Cunningham.

No. MC 116412 (Sub No. 1), filed February 1, 1960. Applicant: **SOUTHWEST BULK HANDLERS, INC.**, 307 American Building, Ada, Okla. Applicant's attorney: W. T. Brunson, Leonhardt Building, Oklahoma City 2, Okla. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry cement*, in bulk, in tank vehicles, (1) from the plant site of Dewey-Portland Cement Company near Tulsa, Okla., to points in Kansas on and east of U.S. Highway 281 commencing at its junction with U.S. Highway 24 at or near Osborn, Kans., and extending along U.S. Highway 281 to the Kansas-Oklahoma State line, and on and south of U.S. Highway 24 from said junction to the Kansas-Missouri State line, points in Missouri on and south of U.S. Highway 50 commencing at the Missouri-Kansas State line and extending along U.S. Highway 50 to its junction with U.S. Highway 63 and thence on and west of U.S. Highway 63 to the Missouri-Arkansas State line, points in Arkansas on and west of U.S. Highway 67 commencing at the Missouri-Arkansas State line and extending along U.S. Highway 67 to its junction with Arkansas Highway 17 near Newport, Ark., thence on and west of Arkansas Highway 17 to its junction with Arkansas Highway 1 near St.

Charles, Ark., thence on and west of Arkansas Highway 1 to its junction with U.S. Highway 65 near McGeehee, Ark., and thence on and west of U.S. Highway 165 to the Arkansas-Louisiana State line, points in Louisiana on and west of U.S. Highway 165 commencing at the Louisiana-Arkansas State line and extending along U.S. Highway 165 to its junction with U.S. Highway 80, and thence on and north of U.S. Highway 80 to the Louisiana-Texas State line, and points in Texas on and north of U.S. Highway 80 commencing at the Texas-Louisiana State line and extending along U.S. Highway 80 to its junction with U.S. Highway 81, and thence on and east of U.S. Highway 81 to the Texas-Oklahoma State line; and (2) from the plant site of Dewey-Portland Cement Company at or near Dewey, Okla., to those points in Missouri and Arkansas described in (1) above.

HEARING: April 7, 1960, at the Federal Building, Oklahoma City, Oklahoma, before Examiner Leo A. Riegel.

No. MC 116544 (Sub No. 5), filed December 29, 1959. Applicant: **WILSON BROTHERS TRUCK LINE, INC.**, 700 East Fairview, Carthage, Mo. Applicant's attorney: Robert R. Hendon, Investment Building, Washington 5, D.C. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Flour* (other than in bulk) (1) from Kansas City and St. Joseph, Mo.; points in Kansas and Oklahoma to points in Louisiana, Mississippi, Alabama, and Georgia; and (2) from points in Oklahoma, except Alva, Okla., to points in Florida, and *empty containers or other such incidental facilities*, used in transporting the above-described commodities, on return. Applicant is authorized to conduct operations in Florida, Kansas, Missouri, and Oklahoma.

NOTE: A proceeding has been instituted under section 212(c) of the Interstate Commerce Act to determine whether applicant's status is that of a contract or common carrier in No. MC 111290 Sub 15. Dual authority may be involved.

HEARING: April 18, 1960, at the New Hotel Pickwick, Kansas City, Missouri, before Examiner Charles J. Murphy.

No. MC 116791 (Sub No. 6), filed October 7, 1959. Applicant: **LEONARD R. GREEN**, doing business as **FARMERS ELEVATOR**, Kensington, Minn. Applicant's representative: A. R. Fowler, 2288 University Avenue, St. Paul 14, Minn. Authority sought to operate as a *common carrier*, by motor vehicle over irregular routes, transporting: *Animal and poultry feeds*, from New Richmond, Wis., to points in Traverse County, Minn. Applicant is authorized to conduct operations in Minnesota and Wisconsin.

HEARING: March 31, 1960, in Room 601, Metropolitan Building, Second Avenue South and Third Streets, Minneapolis, Minn., before Joint Board No. 142, or, if the Joint Board waives its right to participate, before Examiner Leo W. Cunningham.

No. MC 116791 (Sub No. 7), filed October 30, 1959. Applicant: **LEONARD R. GREEN**, doing business as **FARMERS**

ELEVATOR, Kensington, Minn. Applicant's representative: A. R. Fowler, 2288 University Avenue, St. Paul 14, Minn. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Animal and poultry feeds*, from New Richmond, Wis., to points in Roberts County, S. Dak. Applicant is authorized to conduct operations in Minnesota and Wisconsin.

HEARING: March 31, 1960, in Room 601, Metropolitan Building, Second Avenue South and Third, Minneapolis, Minn., before Joint Board No. 303, or, if the Joint Board waives its right to participate before Examiner Leo W. Cunningham.

No. MC 117344 (Sub No. 30), filed February 1, 1960. Applicant: **THE MAXWELL CO.**, a corporation, 22 Glendale-Milford Road, Cincinnati 15, Ohio. Applicant's attorney: Herbert Baker, 50 West Broad Street, Columbus 15, Ohio. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry commodities*, in bulk (except sand, gravel, cement, coal and coke) and *rejected shipments thereof*, and *empty containers or other such incidental facilities* used in transporting the above described commodities, between points in Connecticut, Delaware, District of Columbia, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, and Wisconsin.

NOTE: A proceeding has been instituted under section 212(c), of the Interstate Commerce Act to determine whether applicant's status is that of a contract or common carrier in No. MC 50404 Sub No. 55. Dual operations may be involved.

HEARING: April 18, 1960, at the Offices of the Interstate Commerce Commission, Washington, D.C., before Examiner James A. McKiel.

No. MC 117509 (Sub No. 4), filed December 8, 1959. Applicant: **BEN R. SCHILLI**, doing business as **SCHILLI TRANSPORTATION**, Box 72, Arnold, Mo. Applicant's representative: A. A. Marshall, 305 Buder Building, St. Louis 1, Mo. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Manufactured fertilizers*, including *ammonium nitrate* and *urea*, dry, in bulk, and in containers, from the facilities of the Monsanto Chemical Company at or near Ordill, Ill., and from the facilities of the Spencer Chemical Company at Marion, Ill., to points in Arkansas, Indiana, Iowa, Kansas, Kentucky, Michigan, Missouri, Ohio, Tennessee, and Wisconsin; and (2) *Empty shipper-owned vehicles*, from points in Arkansas, Indiana, Iowa, Kansas, Kentucky, Michigan, Missouri, Ohio, Tennessee, and Wisconsin, to Ordill, Ill., and Marion, Ill.

NOTE: Applicant states that in (1) above, such transportation service is to be performed under a continuing contract, or contracts, with Monsanto Chemical Company, at or near Ordill, Ill., and Spencer Chemical Company, at Marion, Ill. Applicant further states that he presently holds authority in MC 117509 (Sub No. 2) to transport Classes A and B explosives, dry ammonium nitrate,

blasting supplies, and nitro-carbo-nitrate, from Ordill, Ill., to the aforementioned destination territory under a continuing contract with Olin-Mathieson Chemical Company.

HEARING: April 21, 1960, at the U.S. Court House and Custom House, 1114 Market Street, St. Louis, Mo., before Examiner A. Lane Cricher.

No. MC 118609 (Sub No. 1), filed January 18, 1960. Applicant: **MILTON OLSEN**, doing business as **MIDWEST TOWING COMPANY**, 1347 University Avenue, St. Paul, Minn. Applicant's attorney: John A. Cochrane, 406-7 First Federal Building, St. Paul 1, Minn. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Wrecked or disabled motor vehicles and tractors or replacement of wrecked or disabled motor vehicles and tractors* by use of wrecker equipment only, between points in Illinois, Indiana, Iowa, Michigan, Minnesota, Nebraska, South Dakota, and Wisconsin, and North Dakota.

HEARING: April 1, 1960, in Room 601, Metropolitan Building, Second Avenue, South and Third Streets, Minneapolis, Minn., before Examiner Leo W. Cunningham.

No. MC 119013 (Sub No. 2), filed October 28, 1959. Applicant: **DANIEL E. ENTZ**, Route 5, Newton, Kans. Applicant's attorney: John E. Jandera, 641 Harrison Street, Topeka, Kans. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Manufactured feed*, and *ingredients thereof*, *oyster shells*, in sacks, containers and in bulk, with no service to be offered in tank vehicles, from points in Texas to points in Iowa and those in Kansas lying on and East of U.S. Highway 83, and those in Nebraska lying on and East of U.S. Highway 83.

NOTE: Applicant states that it will transport exempt commodities on return.

HEARING: April 13, 1960, at the Baker Hotel, Dallas, Tex., before Examiner Leo A. Riegel.

No. MC 119326 (Sub No. 2) (correction), filed January 13, 1960, published **FEDERAL REGISTER** issue of February 3, 1960. Applicant: **MILES NESBITT, ORLO M. HOBBS AND CHARLES W. HOBBS**, doing business as **HOBBS TRUCKING CO.**, 325 North Tustin Avenue, Orange, Calif. Applicant's attorney: R. Y. Schureman, 639 South Spring Street, Los Angeles 14, Calif. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Orange juice*, in bulk, in tank vehicles from Anaheim, Calif., to points in Clark and Washoe Counties, Nev., and *rejected and contaminated shipments* on return.

HEARING: Remains as assigned: March 7, 1960, at the Federal Building, Los Angeles, Calif., before Joint Board No. 78, or, if the Joint Board waives its right to participate, before Examiner Jair S. Kaplan.

No. MC 119398, filed December 30, 1959. Applicant: **K. W. CASADY**, doing business as **CASADY TRUCK LINE**, 4047 East 17th Street, Des Moines, Iowa. Applicant's attorney: Stephen Robinson, 1020 Savings and Loan Building, Des

Moines 9, Iowa. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (a) *Washing machines, dryers, ironers, freezers, and refrigerator-freezers*, from Newton, Iowa to points in Minnesota on and south of U.S. Highway 14; points in South Dakota on and south of U.S. Highway 16 and on and east of U.S. Highway 281; and points in Nebraska on and east of U.S. Highway 281 and on and north of Nebraska Highway 92; and points in Wisconsin on and south of Wisconsin Highway 60 to junction of Wisconsin Highway 60 and U.S. Highway 12 and on the west of U.S. Highway 12. (b) *Freezers and refrigerator-freezers*, from Amana, Iowa and points within five miles thereof to points in above-described Minnesota, South Dakota, Wisconsin, and Nebraska Territory, and *rejected and damaged shipments of washing machines, dryers, freezers, and refrigerator-freezers*, on return.

NOTE: A proceeding has been instituted under section 212(c) of the Interstate Commerce Act to determine whether applicant's status is that of a common or contract carrier in No. MC 110416 (Sub No. 8).

HEARING: April 7, 1960, in Room 401, Old Federal Office Building, Fifth and Court Avenues, Des Moines, Iowa, before Examiner Charles J. Murphy.

No. MC-120399. Applicant: **RELIABLE TRANSPORTS, INC.**, P.O. Box 12192, Dallas 25, Tex. Applicant's attorney: Reagan Sayers, Century Life Building, Fort Worth 2, Tex. Assigned for hearing to determine whether the motor vehicle operations of Reliable Transports, Inc. are and will be managed and operated in a common interest, management, and control with those of Auto Haulers Co. and Auto Convoy Co., multiple-State carriers holding Certificates No. MC-14698 and MC-59531 and sub numbered certificates thereunder, respectively, and the eligibility of the said Reliable Transports, Inc., to engage in operations in interstate or foreign commerce within the State of Texas under the second proviso of section 206(a)(1) of the Interstate Commerce Act.

HEARING: April 11, 1960, at the Baker Hotel, Dallas, Texas, before Examiner Leo A. Riegel.

APPLICATIONS IN WHICH HANDLING WITHOUT ORAL HEARING IS REQUESTED

MOTOR CARRIERS OF PROPERTY

No. MC 8964 (Sub No. 13), filed November 12, 1959. Applicant: **WITTE TRANSPORTATION COMPANY**, a corporation, 2481 North Cleveland Avenue, St. Paul 13, Minn. Authority sought to operate as a *common carrier*, by motor vehicle, over a regular route, transporting: *General commodities*, except those of unusual value, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, between Hudson, Wis., and Eau Claire, Wis., from Hudson over Interstate Highway I-94 to Eau Claire, and return over the same route, serving all intermediate points and the off-route points of Roberts, Hammond, Baldwin, Woodville, Hersey, Wilson, Knapp, Menomonie, Menomonie Junction, and Elk

Mound, Wis. Applicant is authorized to conduct operations in Minnesota and Wisconsin.

NOTE: Applicant states the proposed route is presently open from Hudson, Wis., to Menomonie, Wis., but is scheduled to be completed to Eau Claire, Wis., in the near future.

No. 29886 (Sub No. 165), filed February 15, 1960. Applicant: DALLAS & MAVIS FORWARDING CO., INC., 4000 West Sample Street, South Bend, Ind. Applicant's attorney: Charles M. Pieroni, 4000 West Sample Street, South Bend 21, Ind. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *New passenger automobiles and new trucks* (but not including trailers), (a) in initial movements from South Bend, Ind., to Chicago, Ill., restricted to traffic moving beyond Chicago in trailer on flat car service, and (b) in secondary movements from Salt Lake City, Utah, to points in Utah, Nevada, and California, restricted to traffic received in Salt Lake City, Utah, in trailer on flat car service, and restricted to traffic originating in South Bend, Ind.

NOTE: Applicant states the purpose of the extension in authority is to enable it to partially retain, or to regain traffic moving from South Bend, Ind., in initial movements to Utah, Nevada and California under its Certificate MC 29886 Sub No. 120, which authorizes transportation of new passenger automobiles and new trucks (excluding trailers), in initial movements in truckaway service, and new passenger automobiles (imported from foreign countries), in secondary movements in truckaway service, from South Bend, Ind., to points in Arizona, California, Nevada, and Utah.

No. MC 46054 (Sub No. 74), filed February 15, 1960. Applicant: BROWN EXPRESS, A CORPORATION, 434 South Main Avenue, San Antonio, Tex. Applicant's attorney: Mert Starnes, 401 Perry-Brooks Building, Austin 1, Tex. Authority sought to operate as a *common carrier*, by motor vehicle, over regular and irregular routes, transporting: *General commodities*, except those of unusual value, Household goods as defined by the Commission, commodities in bulk and commodities requiring special equipment, serving the site of Canyon Dam, located approximately ten miles northwest of New Braunfels, Texas, as an off-route point in connection with applicant's authorized regular route between Dallas, Texas, and San Antonio, Texas.

No. MC 66562 (Sub No. 1634), filed February 11, 1960. Applicant: RAILWAY EXPRESS AGENCY, INCORPORATED, 219 East 42d Street, New York 17, N.Y. Applicant's representative: C. B. Walker, Superintendent, Railway Express Agency, Incorporated, Kansas-Oklahoma Division, Express Annex, Union Terminal, Kansas City 8, Mo. Authority sought to operate as a *common carrier*, by motor vehicle, over a regular route, transporting: *General commodities, including Classes A and B explosives*, moving in express service, between Atchison, Kans., and Kansas City, Mo., from Atchison over U.S. Highway 73 to Kansas City, and return over the same route, serving the intermediate point of Leavenworth, Kans., and the off-route

point of Fort Leavenworth, Kans. The application indicates the service to be performed by applicant shall be limited to that which is auxiliary to or supplemental of rail or air express service. Shipments transported by said carrier destined to or originating at points beyond Atchison, Kans., and Kansas City, Mo., shall be limited to those having an immediate prior or subsequent rail or air haul, and all business will move under Railway Express Agency's current tariffs on Railway Express Agency's receipt or "waybill". Owing to the regular volume of traffic moving out of Kansas City, Mo., to points along the proposed route, the standard prior or subsequent air or rail haul will not be applicable.

No. MC 66562 (Sub No. 1635), filed February 12, 1960. Applicant: RAILWAY EXPRESS AGENCY, INCORPORATED, 214 East 42d Street, New York 17, N.Y. Applicant's attorneys: Slovacek and Galliani, Suite 2800, 188 Randolph Tower, Chicago 1, Ill. Authority sought to operate as a *common carrier*, by motor vehicle over a regular route, transporting: *General commodities, including Classes A and B explosives*, moving in express service, between Douglas, Wyo., and Crawford, Nebr., from Douglas east over U.S. Highway 20 to Crawford, and return over the same route, serving the intermediate or off-route points of Manville and Lusk, Wyo., and Harrison, Nebr. The application indicates the proposed service shall be subject to the following restrictions: The service to be performed will be limited to that which is auxiliary to, or supplemental of, air or railway express service. Shipments to be transported shall be limited to those moving on a through bill of lading or express receipt covering, in addition to a motor carrier movement by said carrier, a prior or subsequent movement by rail or air.

No. MC 66562 (Sub No. 1636), filed February 16, 1960. Applicant: RAILWAY EXPRESS AGENCY, INCORPORATED, 219 East 42d Street, New York 17, N.Y. Applicant's attorney: William H. Marx, Law Department, Railway Express Agency (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over a regular route, transporting: *General commodities, including Classes A and B explosives*, moving in express service, between Danville, Ill., and Peoria, Ill., from Danville over U.S. Highway 150 to Bloomington, Ill., thence over Illinois Highway 9 to Pekin, Ill., thence over Illinois Highway 29 to Peoria, and return over the same route, serving the intermediate and off-route points of Fithian, Ogden, St. Joseph, Champaign, Mahomet, Mansfield, Farmer City, Le Roy, Bloomington, Danvers, Mackinaw, Tremont, and Pekin, Ill. The service to be performed will be limited to that which is auxiliary to or supplemental of express service, and the shipments transported by applicant will be limited to those moving on a through bill of lading or express receipt.

No. MC 116928 (Sub No. 1), filed February 8, 1960. Applicant: WILLIAM C. VAN DE WATER, doing business as TAYLOR TRUCKING COMPANY, 15 Whitney Road, Bethel, Conn. Authority sought to operate as a *contract carrier*,

by motor vehicle, over irregular routes, transporting: *Wooden telephone, telegraph and power line poles and cross-arms* for such poles, from Bethel, Conn., to Mechanicville and Granville, N.Y.

No. MC 116975 (Sub No. 2), filed February 1, 1960. Applicant: CANADIAN FREIGHTWAYS LIMITED, a corporation, 410 Riverside Boulevard, Calgary, Alberta, Canada. Applicant's attorney: Ronald E. Poelman, 175 Linfield Drive, Menlo Park, Calif. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum and petroleum products*, in bulk, in tank vehicles, between points in Alaska.

NOTE: Common control may be involved. This matter is directly related to MC-F-7440.

No. MC 117735 (Sub No. 1), filed February 10, 1960. Applicant: WILSEY, BENNETT COMPANY, a corporation, 3949 Northwest 36th Street, Oklahoma City, Okla. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Canned goods*, from points in California to points in Oklahoma.

NOTE: Applicant indicated it proposes to transport Private and Exempt Commodities on return movements.

No. MC 119512, filed February 16, 1960. Applicant: POPE TRUCKING COMPANY, INC., Route 3, Kernersville, N.C. Applicant's attorney: A. W. Flynn, Jr., 201-204 Jefferson Building, Greensboro, N.C. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Concrete products*, of such length, size and weight as to require special operating equipment and special facilities for loading and unloading, from points in Forsyth County, N.C., to points in Virginia.

MOTOR CARRIERS OF PASSENGERS

No. MC 1501 (Sub No. 183), filed February 15, 1960. Applicant: THE GREYHOUND CORPORATION, 140 South Dearborn Street, Chicago 3, Ill. Applicant's attorney: Earl A. Bagby, Western Greyhound Lines (Div. of The Greyhound Corporation), Market and Fremont Streets, San Francisco 5, Calif. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *Passengers and their baggage, and express and newspapers* in the same vehicle with passengers, over relocated California Highway 29 between Flosden Junction, Calif., and Nebraska Street Junction, Calif., as follows: reroute that segment of Route 31, Sheet 9 (Ninth Revised Certificate MC 1501 Sub No. 138), between Calistoga and Vallejo which is located between Flosden Junction, a point approximately 3½ miles north of Nebraska Street, Vallejo, and Nebraska Street, Vallejo, herein referred to as Nebraska Street Junction, over relocated California Highway 29, by-passing Flosden.

NOTE: Applicant states the proposed route, in effect, is a partial rerouting of its authorized route over the relocated portion of California Highway 29 in lieu of its authorized route over former California Highway 29 which is now an unnumbered highway, and that this new segment connects at each terminus with the route as presently au-

thorized. Applicant further states the proposal herein relates to routes, etc., which are entirely within the State of California, transporting passengers, as above set forth, between points and in both directions over the routes herein above set forth, serving all intermediate points.

No. MC 3647 (Sub No. 277), filed February 10, 1960. Applicant: **PUBLIC SERVICE COORDINATED TRANSPORT**, a corporation, 180 Boyden Avenue, Maplewood, N.J. Applicant's attorney: Richard Fryling, General Counsel, Law Department, **PUBLIC SERVICE COORDINATED TRANSPORT** (Same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over a regular route, transporting: *Passengers and their baggage*, and *express and newspapers* in the same vehicle with passengers, within Little Falls, N.J., from the junction of Main Street and Stevens Avenue over Main Street to junction Montclair Avenue, thence over Montclair Avenue to junction Railroad Avenue, thence over Railroad Avenue to junction Union Avenue. Return over Union Avenue to junction Main Street, thence over Main Street, to junction Stevens Avenue. Serving all intermediate points.

APPLICATIONS UNDER SECTIONS 5 AND 210a(b)

The following applications are governed by the Interstate Commerce Commission's special rules governing notice of filing of applications by motor carrier of property or passengers under section 5(a) and 210a(b) of the Interstate Commerce Act and certain other proceedings with respect thereto. (49 CFR 1.240).

MOTOR CARRIERS OF PROPERTY

No. MC-F 7380 (STANDARD TRANSPORTATION CO., INC.—PURCHASE—WARREN TEAMING CO.), published in the December 9, 1959, issue of the **FEDERAL REGISTER** on page 9970. Application filed February 15, 1960, for temporary authority under section 210a(b).

No. MC-F 7448. Authority sought for purchase by **GARRETT FREIGHT LINES, INC.**, 2055 Pole Line Road, P.O. Box 349, Pocatello, Idaho, of a portion of the operating rights of **WESTERN EXPRESS**, 2300 Ninth Avenue North, Great Falls, Mont., and for acquisition by **C. A. GARRETT**, also of Pocatello, of control of such rights through the purchase. Applicants' attorneys: Maurice H. Greene, P.O. Box 1554, Boise, Idaho, and Randall Swanberg, Ford Building, Great Falls, Mont. Operating rights sought to be transferred: *General commodities*, except petroleum and petroleum products, in bulk, as a *common carrier* over regular routes, between Great Falls, Mont., and the boundary of the United States and Canada, serving intermediate and off-route points within one mile of U.S. Highway 91 between Great Falls and the junction of an unnumbered highway nine miles north of Conrad, Mont., for pickup and delivery of traffic moving to or from a point nine miles north of Conrad or south thereof, restricted to the transportation of general commodities, other than those of unusual value, Class A and B explosives, household goods as de-

finied by the Commission, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading; *general commodities*, excepting, among others, household goods and commodities in bulk, between Valler, Mont., and junction unnumbered highway and U.S. Highway 91, between Great Falls, Mont., and Browning, Mont., between Great Falls, Mont., and Shelby, Mont., between Great Falls, Mont., and the plant of the Cochrane Dam Site (located approximately eight to ten miles northeast of Great Falls, Mont.), limited, to the extent it authorizes the transportation of Class A and B explosives, in point of time to a period expiring five years after June 24, 1957, and between Great Falls, Mont., and junction of U.S. Highway 89 and Montana Highway 20 (Lange's Corner, Mont.), for the sole purpose of joinder with applicant's route north from the junction of U.S. Highways 89 and 91, near Vaughn, to Conrad, Shelby, and Sweetgrass, and with applicant's route north from the junction of U.S. Highway 89 and Montana Highway 20, over U.S. Highway 89 to Choteau and Browning, serving certain intermediate and off-route points; *general commodities*, except petroleum and petroleum products in bulk, over irregular routes, between Shelby, Mont., on the one hand, and, on the other, points in Glacier, Pondera, Teton, Toole, Liberty, and Hill Counties, Mont. Vendee is authorized to operate as a *common carrier* in Idaho, Montana, California, Utah, Nevada, Oregon, Colorado, New Mexico, Washington, Arizona, and Wyoming. Application has not been filed for temporary authority under section 210a(b).

No. MC-F 7450. Authority sought for purchase by **FOOD TRANSPORT, INC.**, 407 North Front Street, Harrisburg, Pa., of the operating rights and certain property of **PENN-DIXIE LINES, INC.** (**JOHN W. HENNESSEY, TRUSTEE**), 2000 South George Street, P.O. Box 42, York, Pa., and for acquisition by **STEWART LLOYD**, 2100 Pleasant View Drive, York, Pa., **J. LOUIS SHULTZ**, 555 Carlisle Street, Hanover, Pa., and **PAUL W. HIVELEY**, 505 Hill Street, York, Pa., of control of such rights and property through the purchase. Applicants' attorneys: Robert R. Hendon, Investment Building, Washington 5, D.C., and Christian V. Graf, 407 North Front Street, Harrisburg, Pa. Operating rights sought to be transferred: *Canned goods*, as a *common carrier* over irregular routes, from certain points in Pennsylvania to points in Alabama, Georgia and Florida, from certain points in Pennsylvania and Maryland to points in Alabama, Georgia, and Florida, from points in Florida to certain points in Pennsylvania and Maryland, from certain points in Pennsylvania, and Salem, N.J., to points in Alabama and Florida, from certain points in New York to points in Florida, and from certain points in Florida to certain points in New York; *animal traps, decoy birds, hand garden tools, and pulpboard jardinières, vases and trays*, from Lititz, Pa., to Pascagoula, Miss.; *agricultural products*, from Stewartstown, Pa., and points within 15 miles

of Stewartstown, to Baltimore, Md.; *livestock*, from Stewartstown, Pa., and points within 15 miles of Stewartstown, to Baltimore, Md., and points within 20 miles of Baltimore; *fertilizer, sand, crushed stone, fruits, vegetables, and groceries*, from Baltimore, Md., to Stewartstown, Pa.; *petroleum products*, in containers, from Bradford, Roussville, Reno, Emlenton, Oil City, and Farmers Valley, Pa., to points in Florida; *canned vegetables*, from Havre de Grace and Westminster, Md., and Christiana and Littlestown, Pa., to points in Louisiana and Mississippi on and south of U.S. Highway 80; *canned fruits and vegetables*, from certain points in Pennsylvania to certain points in Texas, Louisiana and Mississippi; *canned spaghetti and spaghetti products*, from Milton, Pa., to certain points in Texas, Mississippi and Louisiana; *cereal preparations*, dry, from Aspers, Pa., to points in Alabama, Florida and Georgia; *frozen vegetables*, from points in Potter Township, Centre County, Pa., to Cambridge and Fruitland, Md., Camden and Bridgeton, N.J., and Napoleon, Ohio. Vendee holds no authority from this Commission. However, **PAUL W. HIVELEY** is affiliated, through stock ownership, with **MILLER'S MOTOR FREIGHT, INC.**, Zinn's Quarry Road, York, Pa., which is authorized to operate as a *common carrier* in Connecticut, Maine, Illinois, Indiana, Massachusetts, New Hampshire, Rhode Island, Vermont, Wisconsin, Pennsylvania, New York, New Jersey, Ohio, Virginia, Delaware, Maryland, West Virginia, Michigan, North Carolina, South Carolina, Georgia, Florida and the District of Columbia. **J. LOUIS SHULTZ** is affiliated, through stock ownership, with **BEVERAGE TRANSPORTATION, INC.**, 1590 Whiteford Road, P.O. Box 423, York, Pa., which is authorized to operate as a *common carrier* in Maryland, New York, Pennsylvania, Massachusetts, New Jersey, Delaware, Ohio, Michigan, Louisiana, Connecticut, Virginia, and the District of Columbia. Application has been filed for temporary authority under section 210a(b).

No. MC-F 7451. Authority sought for consolidation into **VIRGINIA FREIGHT LINES**, Kilmarnock, Va., of the operating rights and property of **FARMERS SERVICE CENTER, INCORPORATED**, doing business as **FARSCO FREIGHT LINES**, Wicomico Church, Va., and **VENABLE FREIGHT LINES, INC.**, School Street, Kilmarnock, Va., and for acquisition by **HENRY G. THORNDIKE**, Wicomico Church, Va., and **J. S. VENABLE**, Kilmarnock, Va., of control of such rights and property through the transaction. Applicants' attorney: W. Victor Richardson, Lancaster, Va. Operating rights sought to be consolidated: (**FARMERS**) *General commodities*, excepting, among others, household goods and commodities in bulk, as a *common carrier* over regular routes, between Baltimore, Md., and Burgess Store, Va., between Tappahannock, Va., and Baltimore, Md., and between Warsaw, Va., and Fredericksburg, Va., serving certain intermediate and off-route points; *lumber*, from Tappahannock, Va., to Philadelphia, Pa., from Tappahannock, Va.,

to West Chester, Pa., from Tappahannock, Va., to York, Pa., and from Tappahannock, Va., to Lancaster, Pa., serving no intermediate points; *roofing and roofing materials, asphalt and asbestos siding, building paper, wallboard, and materials and supplies* used in the installation thereof, *paint, steel sash weights, steel windows and casements, steel ventilators, and steel dampers*, over irregular routes, from Bound Brook and Jersey City, N.J., and Philadelphia and Reading, Pa., to points in Essex, Richmond, Lancaster, Northumberland, and Westmoreland Counties, Va.; *roofing and roofing materials, asphalt and asbestos siding, building paper, wallboard and materials and supplies* used in the installation thereof, from Perth Amboy and Manville, N.J., to certain points in Virginia; *lumber*, from points in King and Queen, King William, Middlesex, and Essex Counties, Va., except Tappahannock, to Baltimore, Md., from points in Essex, King William, and Middlesex Counties, Va., to points in Delaware, Pennsylvania, New Jersey, and Maryland, except Baltimore, and from Tappahannock, Va., to points in New York and Ohio; *canned goods*, from points in Essex, and King and Queen Counties, Va., to Baltimore, Md., and Washington, D.C.; *canned vegetables*, from Urbanna, Va., to Philadelphia, Pa., and Mullica Hill and Woodstown, N.J.; *tin cans*, from Baltimore, Md., to points in Essex, and King and Queen Counties, Va.; *fertilizer*, from Baltimore, Md., to points in Essex, King and Queen, and Caroline Counties, Va.; *mineral wool*, from Manville, N.J., to Tappahannock, Va.; *empty wooden boxes, furniture frames (wood), appliance bases (wood), and pallets and crates (wood)*, from Tappahannock, Va., to points in Delaware, Pennsylvania, New Jersey, New York, Ohio, and Maryland, except Baltimore; *malt beverages*, in containers, from Norristown, Pa., and Newark, N.J., to Lottsburg, Va.; (VEN-ABLE) *General commodities*, excepting, among others, household goods and commodities in bulk, as a common carrier over irregular routes, between points in Lancaster, Northumberland, Richmond, and Westmoreland Counties, Va., on the one hand, and, on the other, Washington, D.C., and Baltimore, Md.; *general commodities*, except those of unusual value and household goods as defined by the Commission, between Fredericksburg and Richmond, Va., on the one hand, and, on the other, points in King George, Lancaster, Northumberland, Westmoreland and Richmond Counties, Va., subject to the following restrictions: (1) the authority shall not be tacked, directly or indirectly, with authority otherwise held by carrier for the purpose of rendering a through service to points beyond those specified above, and (2) the authority granted herein, to the extent it authorizes the transportation of Class A and B explosives, shall be limited in point of time to a period expiring five years after August 29, 1956; *canned goods, seafood, and frozen food*, from points in Lancaster and Northumberland Counties, Va., to Richmond and West Point, Va.; *feeds, seeds, fertilizer, build-*

ing materials, salt, and empty seafood containers and rejected or damaged shipments of the immediately above-specified commodities, from Richmond and West Point, Va., to points in Lancaster and Northumberland Counties, Va.; *seafood, fruits and vegetables*, fresh, frozen, canned or processed, and *seafood by-products*, from points in Gloucester, Lancaster, Mathews, Middlesex, Northumberland, Richmond and Westmoreland Counties, Va., to points in Virginia, Maryland, Pennsylvania, Delaware, New Jersey, New York, North Carolina, South Carolina, and Georgia (except from points in Gloucester, Mathews, and Middlesex Counties, Va., to Baltimore, Md.); *fishing boats and rigging* therefor, between points in Gloucester, Mathews, Middlesex, Lancaster, and Northumberland Counties, Va., on the one hand, and, on the other, points in Delaware, Maryland, New Jersey, New York, North Carolina, South Carolina, and Virginia; *lumber*, in truckloads of 15,000 pounds or more, between points in Lancaster, Northumberland, Richmond and Westmoreland Counties, Va., on the one hand, and, on the other, points in Maryland within 25 miles of Baltimore, not including Baltimore, and points within 25 miles of Washington, D.C., not including Washington, D.C., or points in Maryland within 25 miles of Baltimore. VIRGINIA FREIGHT LINES holds no authority from this Commission. Applications have been filed for temporary authority under section 210a(b).

No. MC-F 7452. Authority sought for purchase by JAMES C. COPE, doing business as COPE TRUCKING COMPANY, 35 Garfield Street, Asheville, N.C., of the operating rights and property of HOWARD H. HILL, doing business as SWAIN MOTOR FREIGHT LINE, 2336 Norman Avenue, Knoxville, Tenn. (formerly HOWARD H. HILL AND GUILFORD M. BURDICK, a partnership, doing business as SWAIN MOTOR FREIGHT LINE). Applicants' attorney: Francis W. McNerny, 504 Commonwealth Building, 1625 K Street NW., Washington 6, D.C. Operating rights sought to be transferred: *General commodities*, excepting, among others, household goods and commodities in bulk, as a common carrier over irregular routes, from Knoxville, Tenn., to Cherokee, Waynesville, Canton, Sylva, Dillsboro, Franklin, and Bryson City, N.C. Vendee has applied for authority to operate as a common carrier in Tennessee and North Carolina, in No. MC 98404 Sub 3. Application has been filed for temporary authority under section 210a(b).

By the Commission.

[SEAL]

HAROLD D. McCoy,
Secretary.

[F.R. Doc. 60-1689; Filed, Feb. 24, 1960;
8:48 a.m.]

FOURTH SECTION APPLICATIONS FOR RELIEF

FEBRUARY 19, 1960.

Protests to the granting of an application must be prepared in accordance

with Rule 40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 36023: *Iron and steel articles—Sault Ste. Marie, Mich., to Cudahy, Wis.* Filed by Minneapolis, St. Paul & Sault Ste. Marie, Railroad Company (No. 89), for interested rail carriers. Rates on iron and steel articles, in carloads, as described in the application from Sault Ste. Marie, Mich., to Cudahy, Wis.

Grounds for relief: Market competition.

Tariff: Supplement 106 to Minneapolis, St. Paul & Sault Ste. Marie Railroad Company tariff I.C.C. 7496.

FSA No. 36024: *Cement—From southwest to southern territory.* Filed by Southwestern Freight Bureau, Agent (No. B-7734), for interested rail carriers. Rates on cement and related articles, in carloads, as described in the application from points in Arkansas, Kansas, Louisiana, Missouri, New Mexico, Oklahoma and Texas to points in southern territory.

Grounds for relief: Short-line distance formula, and grouping.

Tariff: Southwestern Lines Freight Tariff, Agent, I.C.C. 4346.

FSA No. 36025: *Cement—From, to and between points in southwest and WTL territories.* Filed by Southwestern Freight Bureau, Agent (No. B-7735), for interested rail carriers. Rates on cement and related articles, in carloads, as described in the application from and to points in southwestern and western trunk-line territories, also from Brandon, Miss., to points in Arkansas and Louisiana.

Grounds for relief: Motor-truck competition.

Tariffs: Supplement 23 to Southwestern Freight Bureau tariff I.C.C. 4325 and 3 other schedules named in the application.

FSA No. 36026: *Cement—Dewey, Okla., to southwest and WTL points.* Filed by Southwestern Freight Bureau, Agent (B-7736), for interested rail carriers. Rates on cement and related articles, in carloads, as described in the application, from Dewey, Okla., to points in southwestern and western trunk-line territories.

Grounds for relief: Truck competition.

Tariffs: Supplement 23 to Southwestern Freight Bureau tariff I.C.C. 4325, and 2 other schedules named in the application.

FSA No. 36027: *Aluminum billets—Gregory, Tex. to Cap De La Madeleine, Quebec, Canada.* Filed by Southwestern Freight Bureau, Agent (No. B-7744), for interested rail carriers. Rates on Aluminum billets, blooms, ingots, pigs or slabs, in carloads from Gregory, Tex., to Cap De La Madeleine, Quebec, Canada.

Grounds for relief: Rail-ocean-truck competition.

Tariff: Supplement 28 to Southwestern Freight Bureau tariff I.C.C. 4287.

FSA No. 36028: *Cement—Pryor, Okla.* to southwestern and WTL points. Filed by Southwestern Freight Bureau, Agent

(B-7737), for interested rail carriers. Rates on cement and related articles, in carloads, as described in the application from Pryor, Okla., to points in southwestern and western trunk-line territories.

Grounds for relief: Market competition.

Tariff: Supplement 24 to Southwestern Freight Bureau tariff I.C.C. 4235.

By the Commission.

[SEAL]

HAROLD D. McCoy,
Secretary.

[F.R. Doc. 60-1686; Filed, Feb. 24, 1960; 8:47 a.m.]

CUMULATIVE CODIFICATION GUIDE—FEBRUARY

A numerical list of parts of the Code of Federal Regulations affected by documents published to date during February. Proposed rules, as opposed to final actions, are identified as such.

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